ACC 10000/100/968

46pp.

10000/100/968

ECONOMIC DIRECTORATE, FILE NO. 203
SEPT. 1943 – JAN. 1944

46pp.

Declassified E.O. 12356 Section 3.3/NND No. 785015

P.A. E/S Col Grant (2nd) Copy sent via ECON SEC Col. Spofford 2068

HEADQUARTERS PENINSULAR BASE SECTION

31 JANUARY 1944

SECRET

SECRET

TO (ACTION) : FATIMA

(INFORMATION) : FIAMDO, CG PBS GOC 2 DIST GOC DISTONE CG IBS FABLE FOR WEBSTER AND HARDING CG SOS NATOUSA

FROM : SIGNED CINC

DATE TIME SIGNED : 30 NFT

DATE TIME REC'D : 310940A

REF NR : 44983

CITE : FHSUP, FHDSC, FHDGQ, FHODS, GHMGS

HEADQUARTERS 31 JAN 1944 AMG.

TO PROVIDE A NOON MEAL (OR MIDNIGHT MEAL IF EMPLOYED AT NIGHT) FOR ITALIAN CIVILIANS EMPLOYED AT HARD LABOR BY ALLIED FORCES, THE FOLLOWING ARRANGEMENTS WILL BE EFFECTED BY THOSE CONCERNED. SUB PARA A. BASE SECTION AREA OR DISTRICT COMD WILL PROVIDE FACILITIES NECESSARY TO PREPARE AND SERVE THE MEAL AT THE SITE OF EMPLOYMENT IN ORDER TO ENSURE CONSUMPTION BY THE INDIVIDUAL PERFORMING THE HARD LABOR. SUB PARA B. THE BASIS OF THIS MEAL, PER INDIVIDUAL PER WORKING DAY WILL BE AS FOLLOWS:

7 lire ....

ITEM	AMOUNT	COST
FLOUR OR BREAD	EQUIVALENT ½ POUND	.0128
VEGETABLES FRESH	6 OZS	.045
MEAT FRESH IF LOCALLY AVAILABLE	1 OZS	.026

.0838

SUB PARA C. THE PROVISION OF THE FLOUR ELEMENT WILL BE AN ACC RESPONSIBILITY UNDER CENTRAL ARRANGEMENTS, BUT DETAIL ISSUES ON THE ABOVE SCALE WILL BE MADE FROM ARMY STOCKS THROUGH REGULAR CHANNELS.

A CONSOLIDATED MONTHLY TOTAL OF AMOUNTS SO EXPENDED WILL BE PRESENTED BY BASE SECTION, AREA OR DISTRICT COMDS TO HQ ACC WHICH WILL ARRANGE IMMEDIATE REPLACE-

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SECRET

Page

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SECRET

MENT.

SUB PARA D. PROVISION OF ITEMS AS ABOVE OTHER THAN FLOUR WILL BE FROM LOCAL RESOURCES UNDER EXISTING ARRANGEMENTS, REQUIREMENTS BEING DEMANDED AND ACCOUNTED FOR THROUGH REGULAR ARMY CHANNELS.

SUB PARA E. DAILY WAGE SCALES WILL BE REDUCED IN AN AMOUNT EQUIVALENT TO THE AVERAGE COST OF THE MEAL FURNISHED. THIS REDUCTION IS ADVISABLE IN ORDER THAT OTHER LOCAL WAGE SCALES WILL NOT BE AFFECTED BECAUSE OF THIS CONCESSION.

SUB PARA F. CARE WILL BE EXERCISED TO LIMIT THIS CONCESSION TO ONLY THOSE CIVILIANS PERFORMING HARD LABOR FOR PURELY MILITARY PURPOSES.

SUB PARA G. THE PROVISION OF MEALS UNDER THESE ARRANGEMENTS IS IN ADDITION TO THE SUPPLEMENTAL RATION FOR HEAVY WORKERS PROVIDED UNDER ACC CIVILIAN RATION SCALE.

ACTION: SPA
INFO : QM
C-4
AMG HQ
CG
SEC'Y

ACC Dist

(Info) Col Stafford (2)
Econ Sec (3)

-11932-

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E. Sec

Copy No. 33

AFHQ, ADV. ADM. ECHELON,
LOCAL RESOURCES SECTION,
C.M.F.

Reference:- 10/2/LR

29 Jan 44

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD

MISCELLANEOUS PURPOSES COMMITTEE - MINUTES

AMENDMENT

Reference Minutes of Meeting of Miscellaneous Purposes Committee held on 26 January 1944, para 4 (e), WELFARE ARTICLES - delete and substitute:-

" WELFARE ARTICLES

The Committee recommended to the Board that orders be issued to Welfare Officers, E.F.I., Special Service, Red Cross and other similar organizations such as Malcom Club and C.V.W.W. prohibiting the purchase of furnishings and equipment until Allocation has been made to them by the Board on the recommendation of the Committee.

The Committee recommended to the Board that orders be issued to all Allied Forces and Welfare Organizations including Red Cross, Malcom Clubs and other such organizations prohibiting the purchase of any of the following articles until allocation has been made to them by the Board on the recommendation of the Committee:-

Musical Instruments (including Pianos)
Music
Radio Sets and spare parts
Gramaphones and Discs. "

J.C. Ramsden	S.J.B. Louden
J.C. RAMSDEN	S.J.B. LOUDEN
MAJOR	CAPTAIN
JOINT SECRETARY (AM)	JOINT SECRETARY (BR)

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD.

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2	Vice Chairman (Am)	31	A.F.L.R. (Sicilian) Board

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4	B.P.A., P.B.S.	33/34	H.Q., A.M.G., C.M.F.
5	D.D.W. (Br)	35	D.Q.M.G.
6	C.E., P.B.S.	36	E.F.I.
7/11	Flag Officer, Western Italy	37	C.G., P.B.S.
12/13	M.G.S. (Adv)	38	DD/CAO
14/17	AAFSC/MTO	39	Q.1.
18/19	214 Group R.A.F.	40	Q.2.
20/22	D.D.S.T., FLAMBO	41	A.D.W. (Stores)
23	Q.M., P.B.S.	42/51	Local Resources Section
24	ORD (Br)	52	File
25/26	AMG, 15 Army Group	53/60	Spares
27/28	H.Q., A.C.C.		

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JCM/AR

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
ECONOMIC DIRECTORATE
APO 512

AGENDA

MEETING OF REGION 1 AND REGION 2 REPRESENTATIVES WITH THE ECONOMIC DIRECTORATE TO DISCUSS PRICE POLICIES

29 December 1943 at 1400 hrs in NAPLES, Provincia Bldg. Rm 11.

A. Introductory general statement on price problems receiving attention at this Headquarters, by the Economic Director.

B. Statements of price problems in Regions 1 and 2, by their representatives.

C. Imports.

(1) Prices charged Italian government for imports.

(2) Prices charged on behalf of Italian Government for imported commodities, with particular reference to:

(a) Food, coal, petroleum products, clothing, etc.

(b) Medical and other supplies for use of the Italian Government and its institutions.

(c) Industrial and agricultural equipment and supplies including fertilizer.

D. Exports.

(1) Prices we pay locally for commodities exported such as sulphul, lemons, nuts, citric acid.

(2) Prices at which the exports are resold on the other side.

E. Creation of an Import-Export Agency.

F. Accounting for imported and exported commodities.

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E. Creation of an Import-Export Agency.

F. Accounting for imported and exported commodities.

G. Italian produced commodities and services:

(1) Railway and other public utility rates;

(2) Prices paid by Armed Forces for timber, iron, asphalt, industrial gases.

H. General discussion of effectiveness of legal price list and other price controls and of measures to be taken to facilitate price stabilization.

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
ECONOMIC DIRECTORATE
APO 512

28 December 1943.

Subject: AFHQ, MGS Memorandum entitled "Price Policy to be followed by AMG/ACC in Italy - Recommendations as to" dated 7 December 1943.

The Economic Directorate has considered the above memorandum and appr[illegible]es the same with the following changes:-

(1) Change paragraph 2 (b) to read "Considering (a), subsidies to domestic producers are in some cases preferable to price increases as a means of encouraging production."

(2) Change paragraph 2 (c), first sentence, to read "All goods imported for civilian or Italian Government use should be charged to the Italian Government at prices in dollars, sterling or francs, considered to be equivalent to landed cost."

(3) Add language to paragraph 2 (c) which will make it clear that this procedure in no way alters the existing arrangement whereby the distributors who obtain the imported commodities are required to pay cash lire for such commodities at prices agreed upon.

(4) Change paragraph 2 (d), first sentence, to read "Exportable surplus should be purchased from Italian producers at prices designed to cover actual costs at the time of production, plus a fair profit. This however would not affect the position where goods can be obtained in the open market at lower prices."

(5) Change paragraph 3 (a) to read "It is the unanimous policy of AMG/ACC to retard the upward movement of prices by every means available, with the concurrence and co-operation of the Italian Government."

(6) The substance of the above changes should be made also in the body of the memorandum at the relevant sections.

(7) Para 3 (c) (ii) : The price for Sardinian coal in Sardinia should be increased to cover cost of production. A price of 400 lire per metric ton for fine coal (less than 20 millimetres in size) and 500 lire per metric ton for coarse coal (20 millimetres or more in size) are suggested.

(8) Para 3 (c) (iii) : The price for Sardinian coal elsewhere in Italy should be increased to cover cost of production and shipping. Prices of 550 lire and 650 lire per metric ton, CIF Italian ports (except Sardinia) are suggested. Differential prices for various types of users are not considered to be desirable at this time.

(9) Para 4 (c) : A price of 1200 lire per metric ton, CIF Italian ports, is suggested as the price to be charged on behalf of the Italian Government for imported coal. Differential prices for different classes of coal [illegible]

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(9) Para 4 (c) : A price of 1200 lire per metric ton, CIF Italian ports, is suggested as the price to be charged on behalf of the Italian Government for imported coal. Differential prices for different classes of coal users are not considered to be desirable at this time.

(10) The problems of accounting raised in Para 6 have not yet been considered.

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R. A. HAMLYN,
Brigadier,
Acting Economic Director.

LLER/rad

ALLIED FORCE HEADQUARTERS
Military Government Section

/rg

7 December 1943

SUBJECT: Price Policy to be Followed by AMG/ACC in Italy---
Recommendations as to.

TO : Chief, Military Government Section

1. The following memorandum presents recommendations as to price policy to be followed in Italy for consideration by you and by the appropiate Sub-Commissions of the Allied Control Commission in order that a final draft price policy may be agreed and transmitted to the Combined Chiefs of Staff for approval.

2. The price policy herein elaborated may be summarized as follows:

(a) The price increases in Italy are in general to be resisted in view of the inflationary trend already underway.

(b) Considering (a), subsidies to domestic producers may be preferable to price increases as a means of encouraging production.

(c) All goods imported for civilian or Italian government use should be charged to the appropriate Ministry or Agency at a price in line considered to be equivalent to landed-cost. The price at which these goods are subsequently sold will, wherever possible, be a subject for joint consideration by Allied and Italian officials. In general, they should be sold on not less than a landed cost basis, but may be sold at a loss if a price based on landed cost is so high as materially to disturb the general price structure.

(d) Exportable surpluses should be purchased from Italian producers at prices designed to cover costs plus a fair profit. As to the prices at which these surpluses should be sold abroad, while there is much to commend the quoting of landed-cost prices, the balance of the argument is in favor of a policy of charging prices reasonable in the light of those prevailing in the foreign market concerned, even though above landed cost. The question of disposing of the surplus of foreign exchange would be left to the future.

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(e) Consideration should be given to setting up any Agency under the appropriate Sub-Commission to handle exports.

The detailed application of this price policy to domestic import and export prices is discussed below.

3. As to pricing of Italian-produced articles for domestic consumption:

(a) The settled policy of AMG and ACC to retard the upward movement of prices should be continued by every practicable means, with concurrence and cooperation of the Italian Government.

(b) Main attention must be given to major commodities, such as wheat, flour, pasta, olive oil, cheese, charcoal, and coal. In some insatnces, where the cost-prices essential to maintain supply would be undesirably high (from an inflation-control viewpoint) subsidies are being and will continue to be resorted to. This is the case notably to wheat. It is desirable to have the agreement of the Italian Government as to the need for such subsidies, and to arrange so far as possible that the payments proceed from or are for the account of the Italian Government or its agencies. All subsidy programs should be subject to frequent examination in order to determine whether a small increase would achieve the same purpose without subjecting the national budget to the additional burden which a subsidy involves.

(c) The pricing of Sardinian coal requires immediate decision.

(i) The present siutation is approximately as follow prices in Sardinia range generally from 140 to 160 lire and elsewhere in Italy from 300 to 320 lire per metric ton. Costs probably vary around 300 lire at the mines, depending on output. At the same time prior to invasion imported coal was around 300 lire generally throughout all Italy.

(ii) Inasmuch as the general price structure in Sardinia has become adjusted to a coal price of 140-150 lire, it is probably justifiable to continue that price for the time being. Normally, however, it would not be considered equitable to oblige consumers distant from the point of production to subsidize those nearby. Consequently any differential coal price in favor of users in Sardinia should be reviewed from time to time.

(iii) Prices for Sardinian coal elsewhere in Italy should be set sufficiently above c.i.f. Italian port to cover as much as possible the loss on coal at lower prices in Sardinia. It has been suggested that these prices should range somewhere between 380 and 500 lire, but a decision can best be made by our fuel experts in touch with the situation. Whether a schedule of differential prices for various types of users can be set up will depend on the availability of technical staff.

(iv) As to the determination of the prices of imported coal, see below, paragraph 4(c).

4. As to pricing of imports, the policy should be to charge all such goods to the appopriate Ministry or Agency of the Italian Government at a price in lire considered to be equivalent to landed-cost(i;e.c.i.f. Italian ports). The price at which these goods are subsequently sold will be determined by the Italian Government in consultation with the Allied Control Commission in all areas under Commission control, and by the appropriate local governmental agency in accordance with AMG directive in all other areas. This procedure will be more readily understood by the British and American public than one which involves actual sale by Allied officials of imported goods at a loss. For the purpose of reducing Governmental expenditures, imported goods should normally be resold at prices which will avoid losses to the Governmental agency charged with them. However, the policy of maintaining the prevailing price-cost structure in Italy so far as possible, will make it desirable in some instances to sell imported goods at prices which will be below landed cost. In the following paragraphs the problem of pricing various types of imports is examined from this viewpoint.

(a) Foodstuffs. In general, the prevailing official prices of major foods(especially flour) in Italy are lower than lire equivalent of the landed cost of the corresponding imported items. In the interest of retarding the rise in the cost of living, it has been and will continue to be necessary to sell most imported foods at less than cost. However, in the determination of the domestic prices(see paragraph 3) account should be taken of the cost of imports, of the proportion of total consumption which is supplied by imports, and how long this degree of dependence on imports is likely to continue. If the proportion is large and likely to continue large, and the spread between landing cost and prevailing domestic price is also large, consideration should be given to raising the domestic price. Even inflation control may not justify costly subsidies, the burden which will have to be borne by an already over-loaded Italian Government budget.

(b) Medical and other supplies and equipment for the use of the Government, armed forces and public institutions of Italy.
There is no inflation-control argument to support a policy of supplying such imports below cost. The Ministry or Governmental agency to which they have initially been billed at cost, may and generally should transfer the full cost of goods onto the budgets of the institutions, Departments, or other Governmental units subsequently acquiring the goods for use? It is of course true that the net cost to the Government is the same, but from a budgetary point of view it is more satisfactory to charge the cost of imported articles to the branch or unit responsible. Of course, if the article in question is one of the common consumption and has a prevailing price below landed-cost which it is desired to maintain, the Italian Government may prefer to charge imported goods to the consuming unit, institution, or agency at the prevailing price, carrying the loss on the National budget.

(c) Industrial and agricultural equipment and supplies, including fertilizers. In accordance with the general policy laid down in paragraph 4 above, all such import as soon as arrangements can be made in both ACC and AMG territory, will be charged to appropriate Italian Governmental Ministries or agencies at landed cost. Normally, it should be possible for the Government to resell such goods at approximately the same price. In some instances, however, such resale prices would be so much above the prevailing price (demand being entirely dependent on imports), so much above previous prices to which consumers have adjusted their own operations, as to make it impossible for them to sell their output at the official price. In other instances it will be appropriate for the Italian Government officials and ACC or AMG officials concerned jointly to consider which is preferable: to supply the imported articles at less-than-cost prices, the Government's budget bearing the loss; or to allow the users of the imported articles to raise the prices of their products or services so far as to cover the increased cost of imported equipment or raw materials.

A commodity for immediate consideration is imported coal. It is strongly recommended that all imported coal on arrival be billed to the Italian Government at landed cost. But it will be then be necessary to determined what policy the Italian Government should follow in selling or charging that coal to state and private users. Imported coal from Germany was selling at about 300 lire per metric ton prior to the invasion. American and British coal has a landed cost somewhere betwenn 2500 and 3000 lire at Italian ports. To what extent so high a price for coal would raise the production costs of public utilities, flour mills, bakeries, machine shops, mines, etc., beyond the point at which they could continue to operate at existing prices for their products, is not known and will have to be ascertained in the case of each major user and industry. Neither is it possibl from this distance to determine whether a single price for imported coal to all users (whatever that price may be) is preferable under existing circumstances to a schedule of price differentials for various classes of users. In any event , it will probably be necessary to have a considerably lower price for Sardinian coal than for imported coal in order to induce users to take the former, which is much inferior to the latter. All these matters will have to be the subject of consideration by Itlian and ACC-AMG authorities.

(d) The policy laid down in paragraph 4 above, involving the billing of all imports to the Italian Government or its agencies at landed-cost, will make it necessary for AMG-ACC to take account of the landed cost of the articles it receives from abroad. This would run counter to accounting procedures now being followed, but was to some exrent foreseen in our M.T 73, sent to CCS on 1 November, which said in part (paraphrased): "In the determination of prices in Italy at which we will sell imports, the landed-values schedules you are preparing will be of some assistance, although local considerations such as prevailing prices are now of predominant importance in this matter." It is also to be noted that in message 86538F1 of 6 November the War Office instructed the British Army accountants in this Theatre to keep what records they could of the value of supplies made available to the Italians, having in mind the uncertain nature of future negotiations which may have to be carried out with the Italians in reaching a final peace settlement.

5. As to the pricing of exports.

(a) As to the prices paid to the producer in Italy is con-

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cerned, it is proposed that it be based on cost (including a reasonable profit) at the point where AMG takes possession. Admittedly, having in view the disturbed conditions as to wages, cost of materials and fuel, etc., which Italian producers face, as well as the damage their plants have in many cases suffered, it will not be easy to arrive at and agree on a fair cost price. But no other policy will be readily defensible.

(b) As to the price to be charged to the buyer in the foreign market, several bases present themselves: (1) Sell at a loss (i.e. at less than landed cost) in order to adjust to price prevailing in that market (2) Sell at a price designed to cover landed-costs. (3) Sell at a price above landed costs by an amount considered reasonable in view of prices prevailing in the market. Each of these possibilities will be considered.

(1) It should not be necessary to sell at a loss, inasmuch as Italian exportable surpluses consist of goods (sulphur, citrus by-products fruits, nuts, wine) which in view of wartime scarcities can in most cases readily be sold in foreign markets at prices which will avoid a loss.

(2) Selling abroad at prices designed only to cover landed cost would be from some points of view most defensible policy. It would be readily accepted by Anglo-American opinion as being fairly comparable to the policy herein recommended of charging imports to the Italians at prices covering landed costs. However, there are persuasive arguments in favor of basis no. 3, which are next presented.

(3) In general, it is recommended that exports be priced to foreign buyers at prices above landed costs by an account considered reasonable in view of prices prevailing in the buyers country. This policy would have several advantages, to offset the disadvantages mentioned in (2) above. (a) It would provide a reserve which, though not accruing to the immediate benifit of the Italian producers, would be available to meet futture contingencies. (b) It would be entirely reasonable in the case of exports to neutral countires

such as Spain, Turkey or Argentina to price them at levels prevailing in those countries.

(c) Reasonable prices, even though above landed costs, would not be unfair to consumers in Allied markets, and the resulting extra amounts of foreign exchange (dollars, sterling, francs, etc.,) could be held for appropriate disposition in the future--possibly though not necessarily - as a partial reimbursement to Allied Governments for goods supplied to Italy for civilian purposes.

6. Consideration should be given to the instrumentality through which exports and imports will be accounted. While all such transactions could be carried directly into AMFA's balance sheet, it is suggested that it is preferable to open seperate accounts for this purpose because (a) AMFA's accounts are not designed inventories and (b) it is not yet clear that AMFA is to carry foreign exchange. It is therefore proposed that an Export and Import Agency (or seperate agencies for each) be created as part of the ~~XXXXXXX~~ Sub-Commission in the same way that AMFA is part of the Finance Sub-Commission and that over its books all accounting of exports to and imports from Italy should pass.

The following hypothetical summarized statement of account is offered as an illustration of the way in which such an agency might function.

Statement(s) of Account as at ? date
(all amounts in lire)

ASSETS		LIABILITIES	
EXPORTS		EXPORTS	
Cash in hand and at bankers	10,000,000	Sundry creditors: Advances obtained from AMFA for purchase goods for export	65,000,000
Cash (in foreign exchange) at bankers abroad, converted at current rate of exchange	50,000,000	Balance on export account	10,000,000
Goods in hand, at cost	15,000,000		
Total	75,000,000	Total	75,000,000

IMPORTS		IMPORTS	
Cash at AMFA or bankers (proceeds sales of imported goods to Italian Government or its agencies	140,000,000	Sundry creditors: Econ. & Indus. Sub-Comm. (value of goods rec'd at landed cost)	140,000,000
Total	140,000,000	Total	140,000,000

An examination of this statement will indicate several points, (1) Imports can be carried into the accounts of the Agency at costs, and then sold or billed to the Italian Government or its agencies at a price in lire designed to cover this cost. Should any instances occur in which ACC or AMG itself sold at a loss, this would be reflected by a deficit on the asset side. (2) Any surplus of foreign exchange over cost of exports would be carried visibly. If the above accounts were being liquidated in the course of negotiations with the Italian Government, the state of import account is clear: i.e., a sum of lire obtained for imports in some instances sold directly to the users but generally billed to the Italian Government at cost. The possibility of converting these lire into the desired foreign currencies will be one of the post war problems. As to the export accounts, and considering the item 10,000,000 lire "Balance on export a/c", this accrues as a result of selling exports above cost and remains after the Italians have been fully satisfied by payment to the producers of goods exported of a price including a fair profit. As stated, it can be set aside as a reserve to adjust prices paid to producers if subsequent analysis shows those originally paid to have been inadequate to keep the producers in business. Failing that, it becomes the property of the Allies. Apart from this, the whole amount shown as an asset at 50,000,000 lire will exist in foreign exchange. The disposition of this foreign exchange will remain for discussion, for example as to whether part or all of it will be made available to the Italians in meeting the Allies' demand for conversion of the lire held in the import accounts.

Supply Division

Finance Division

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
ECONOMIC DIRECTORATE
APO 512

27 December 1943.

SUBJECT: A.F.H.Q., Coal Section Memorandum entitled "Italy - Prices of Coal and Handling of Coal", dated 5 December 1943.

The Economic Directorate has considered the above memorandum and suggests the following changes:-

(1) Change paragraph 5 to read "If the above mentioned course be adopted, the dollar, sterling or franc cost of all imported coal, less that supplied to the Allied Forces for heating hospitals, cooking and so forth, would be charged to the Italian government. It would be suggested to the Italian Government that it charge for imported coal 1200 lire per metric ton, CIF Italian ports. This price would reduce, but still would continue to require a substantial subsidy."

(2) Para 8. It is suggested that the price charged for Sardinian coal (outside of Sardinia) should be increased to 550 lire per metric ton CIF Italian ports for fine coal (less than 20 millimetres in size) and 650 lire per metric ton CIF Italian ports for coarse coal (20 millimetres or more in size). These prices are estimated to cover production and transportation costs and would obviate the need for subsidies. In view of the character of the present coal consumers these prices would not appreciably effect the cost of living and therefore would not be detrimental to inflation control.

(3) Change paragraph 9 (a) to read "All imported coal supplied to Italy should be charged to the Italian Government at "economic" prices in dollars, sterling or francs".

(4) Add to paragraph 9 (b) the phrase "On the basis of the prices recommended in paragraphs 5 and 6 above."

R.A. HAMLYN,
Brigadier,
Acting Economic Director.

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(1) Change paragraph 5 to read "If the above mentioned course be adopted, the dollar, sterling or franc cost of all imported coal, less that supplied to the Allied Forces for heating hospitals, cooking and so forth, would be charged to the Italian government. It would be suggested to the Italian Government that it charge for imported coal 1200 lire per metric ton, CIF Italian ports. This price would reduce, but still would continue to require a substantial subsidy."

(2) Para 8. It is suggested that the price charged for Sardinian coal (outside of Sardinia) should be increased to 550 lire per metric ton CIF Italian ports for fine coal (less than 20 millimetres in size) and 650 lire per metric ton CIF Italian ports for coarse coal (20 millimetres or more in size). These prices are estimated to cover production and transportation costs and would obviate the need for subsidies. In view of the character of the present coal consumers these prices would not appreciably effect the cost of living and therefore would not be detrimental to inflation control.

(3) Change paragraph 9 (a) to read "All imported coal supplied to Italy should be charged to the Italian Government at "economic" prices in dollars, sterling or francs".

(4) Add to paragraph 9 (b) the phrase "On the basis of the prices recommended in paragraphs 5 and 8 above."

R.A. HAMLYN,
Brigadier,
Acting Economic Director.

=J87

U. S. SECRET
Equals British Secret

ALLIED FORCE HEADQUARTERS
COAL SECTION
APO 512

5 December 1943

ITALY - PRICE OF COAL AND HANDLING OF COAL

1. Enquiries have shown that the price of coal to the consumer in Italy prior to the landing of Allied troops was in the neighborhood of £300.00 per ton. On a strictly commercial basis the cost to the consumer today of British or American coal would probably be about £3000.00 per ton. (N.B. The Lira-Sterling rate immediately prior to the outbreak of war between Great Britain and Italy in June 1940 was £100.00=£1 sterling; the Lira-Dollar rate immediately prior to the Pearl Harbor attack in December 1941 was £19.8 to $100).

2. The greater proportion of the coal now being imported into Ital from the U.K. is used for operational purposes but there is still a certain amount of civilian traffic on the railways and coal supplied say, to gas works, is mainly for the benefit of the civilian population.

3. The question arises as to what price is to be charged for coal supplied Italy. I feel sure that there whould be very strong objections on the part of both the United States and the United Kingdom t supplying coal at less than delivered cost. On the other hand, to increase the price of coal to the consumer tenfold would seem to lay a heavy burden on Italian national economy; it is doubtful even whether Italy could afford to pay this price.

4. It might be argued that coal supplied for military purposes (e. g., to railways) should be regarded in the same way as stores and ammunition for the Allied Forces, and, as such, not charged for. It would probably be difficult, however, to determine the proportions of coal used for purely military, as opposed to civilian, purposes; and it would seem that the better course is to charge the Italian government for all coal supplied, leaving for later decision the opposition as to whether any payment should be made to the Italian Government for services rendered to the Allied Forces by the railways, etc.

5. If the above mentioned course be adopted, the cost of all imported coal, less that supplied to the Allied Forces for heating hospitals, cooking, etc., would be charged to the Italian government, who pay in Italian currency, dollars or sterling being persumably not available. It would be suggested to the Italian government that, in order not to disturb too greatly the cost of living, the price of coal to the consumer should be maintained at a level approximately e-

qual to that obtaining prior to the landing of Allied forces in Italy. The level should be raised, of course, if in the opinion of the Allied Commission conditions warranted such a step. This course would perpeuate the system, hitherto in force, of heavy governmental subsidization of the cost of coal to the consumer.

6. The handling of coal, e. g., discharging, storage, distribution and collection of the cost from the consumer presents another problem. The system previously in force in Italy was for the government-controlled coal monopoly to purchase all coal required to be imported and then to arrange for its distribution through officially recognized and controlled groups of merchants. Insofar as can be ascertained, there is at present no control of the coal trade in Italy; but, if the government is to assume repsonsibilty for payment for imported coal, such control is clearly necessary. It is obviously desired that coal should be handled by people who are familiar with the trade, but at present it is being dealt with by the military authorities themselves. Due to the present condition of the ports, to the distruction of handling appliances, and to the fact that there is a pronounced shortage of transport, it is impossible for the merchants themselves to act independently of the military. If they are to function, they must be given the necessary facilities.

7. I suggest that, as a first step, the assumption of control of the trade should be discussed with the It lian government. This control should not be impossible or even difficult; the merchants in the various ports can be grouped, insofar as they are not already so, and placed under the control of the government. There should be one responsible head of each group who would receive notification from Coal Section (QM) of coal)carrying vessels expected and of the consumers to whom the coal should be supplied. The group would arrange for the discharge and distribution of the coal as directed by QM, such assistance as is possible in regard to allocation of discharging berths, provisions of transport, etc., being furnished by Coal Section (QM). On the other hand, the group would be responsible to the Italian Government for collection of such amount as it may be decided to charge the consumer.

8. There remains the question of Sardinian and other locally produced fuel. While retaining the right to determine the level of production and the distribution of such fuel, together with a general oversight over prices, we should leave all financial arrangements to be made and executed over by the Italian government. However, unless Italian shipping under the control of the Italian authorities themselves can be made available for the transport of Sardinian coal, it will be necessary for the Allied authorities to provide the necessar tonnage. In that event, it will be necessary to determine the rate of freight. If that freight were an "economic" freight, the resultant c. f. price of this coal would probably be in excess of that charged by the Monopoly (as Sardinian coal as well as imported coal

(over)

was subsidised. As in the case of imported coal, however, the cost of the freight could be charged to the Italian government, leaving the latter to charge whatever delivered price it thought fit to the consumer. The differential between the cost of imported and Sardinian coal to the consumer was formerly very small and it is for consieration whethhr in future that differential should not be increased, in view of the apprecaiably better quality of imported coal. A comparatively low price for Sardinian coal would probably stimulate its use.

9. To summarize.

a. All imported coal supplied to Italy should be charged to the Italian government at "economic" prices. The Italian government would pay in lira if dollars or sterling were not available.

b. The prices to be charged to the consumer will be decided in consultation with the Italian government.

c. Financial arrangements in connection with the purchase and sale of Sardinian and other locally produced fuel should be left to the Italian authorities. When Allied controlled shipping is employed in the transport of such coal, the "economic" freight should be charged to the Italian government and the cost paid in lira.

d. Discussions to be initiated with the Italian government with a view to insituting control the handling and distribution of coal by groups of merchants and the collection by the latter of the prices agrred to be charged to the consumer.

Brigadier Norman-Smith

M.G.S.(AFHQ)

4085

File not DF ! MSC?

22

1209

HEADQUARTERS
20 NOV 1943
AMG

DGB/DW/frt

Feds.
Cols SF

ALLIED FORCE HEADQUARTERS

Military Government Section

MGS 383-6

13 November 1943.

SUBJECT: Ethiopians found in Italy.

TO : HQ AMG 15 Army Group
HQ Allied Military Mission, CMF, Brindisi.
HQ ACC, CMF.

202

The following is a copy of a memorandum received in this Section from the Office of the British Resident Minister.

> His Majesty's Charge d'Affaires at Cairo reports that Ras Imru called on him on October 22nd to express his deep appreciation of the kindness shown to him by the Allied Authorities in Italy and of the arrangements made to transport him and his party to Egypt. He asked that his thanks might be conveyed to the Allied Authorities and he spoke with special gratitude of the help which he had received from the Military Governor at Taranto.

R. S. JACKLING
Lt. Colonel

Why not Political

16

4081

309.112

CONFIDENTIAL 309

ALLIED FORCE HEADQUARTERS

Military Government Section

DSJ/Dw/dlc
23 November 1943

MGS: 383-6

SUBJECT: Repatriation of Ras Imaru

TO : HQ AMG 15 Army Group
HQ Allied Military Mission, CMF, Brindisi
HQ ACC (AMG) CMF, Palermo

Further to our MGS 383-6 of 13 November.

Attached hereto for your information is a copy of a communication received at this Headquarters from H. M. Minister at Addis Ababa.

D. S. JACKLING
Lt. Colonel

4083

COPY

No. 138/149/43

HIS Majesty's Minister at Addis Ababa presents his compliments to the Commander-in-Chief, North Africa and has the honour to transmit to him the undermentioned documents.

British Legation,
Addis Ababa.

9th November 1943.

Description of Enclosure

Name and Date	Subject
From:-Private Secretary to the Emperor. No. 275/43 of 3rd November, 1943.	Repatriation of Ras Imeru

Copies have also been sent to:-the Foreign Office, His Majesty's Minister of State, Cairo, the Commander-in-Chief, Middle East, and the Minister Resident, Algiers.

4082

COPY

PRIVATE SECRETARY'S OFFICE
IMPERIAL PALACE,
ADDIS ABABA

275/43

3rd November, 1943.

The Private Secretary to His Imperial Majesty presents his compliments to His Britannic Majesty's Minister and has the honour to refer to the First Secretary's letter No. 138/133/43 of the 22nd October, 1943, and to communicate the following message from his Imperial Majesty.

His Imperial Majesty desires to express to His Britannic Majesty's Government and to the Commander-in-Chief of the Allied Forces his liveliest appreciation and great gratitude for the release of the Ethopian prisoners in Italy, and for the arrangements made so expeditiously for the repatriation of Ras Imeru. His Imperial Majesty hopes that it may be possible to repatriate the rest of the prisoners as soon as transport is available.

The Private Secretary has been instructed to transmit His Imperial Majesty's expression of thanks to Mr. Howe for his unfailing efforts in this connection.

As regards the payment of the necessary subsistence and other expenses, Ato Tesfaye Tegegne, His Imperial Majesty's Charge d'Affaires, Cairo, has been instructed by telegram to effect requisite reimbursements.

The Private Secretary to His Imperial Majesty avails himself of this opportunity to renew to His Britannic Majesty's Minister the assurance of his high consideration.

4061

SECRET

DCCAO (2)

1410

PENINSULAR BASE SECTION
SIGNAL MESSAGE CENTER

21 JANUARY 1944

EC

SECRET

ROUTINE

FLAMBO RPT FARGO

NONE

FATIMA FROM FISKE SIGNED SIGNED MACFARLANE

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211315A

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NONE

ITALIAN SUPREME COMMAND REPORT SAYS DIFFICULTY IN PROVISION OF ARMY RATIONS FOR CORR IN SICILY. LATTER IS INTEGRAL PART OF ITALIAN ARMY. ASSUME THAT ARMY SUPPLY AUTHORITIES HAVE BEEN AUTHORIZED TO ISSUE RATIONS FOR CONSUMPTION BY CORR. PLEASE ADVISE.

ACT – ECON. DIR. (2)

10393

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Declassified E.O. 12356 Section 3.3/NND No. 785015

pa.

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DCofS (G-5)

ALLIED FORCE HEADQUARTERS

Military Government Section

TBJ/GLB/jw

MGS: 313.3

14 January 1944

SUBJECT: Organization Chart - Civil Affairs Division.

TO : HQ ACC, APO 394.
HQ AMG, APO 394.
HQ AMG, AFI.
Military Government Centre.

Forward herewith for your information is copy of the Civil Affairs Division Organization Chart, sent us by War Department, Office of The Chief of Staff, Civil Affairs Division.

For the Chief of Section:

HEADQUARTERS
18 JAN 1944
AMG.

T. B. JACKMAN
Major

1 Incl:
Chart

#079

Hq AMG

DEC 10 1943

NOTED-DEPUTY CHIEF OF STAFF

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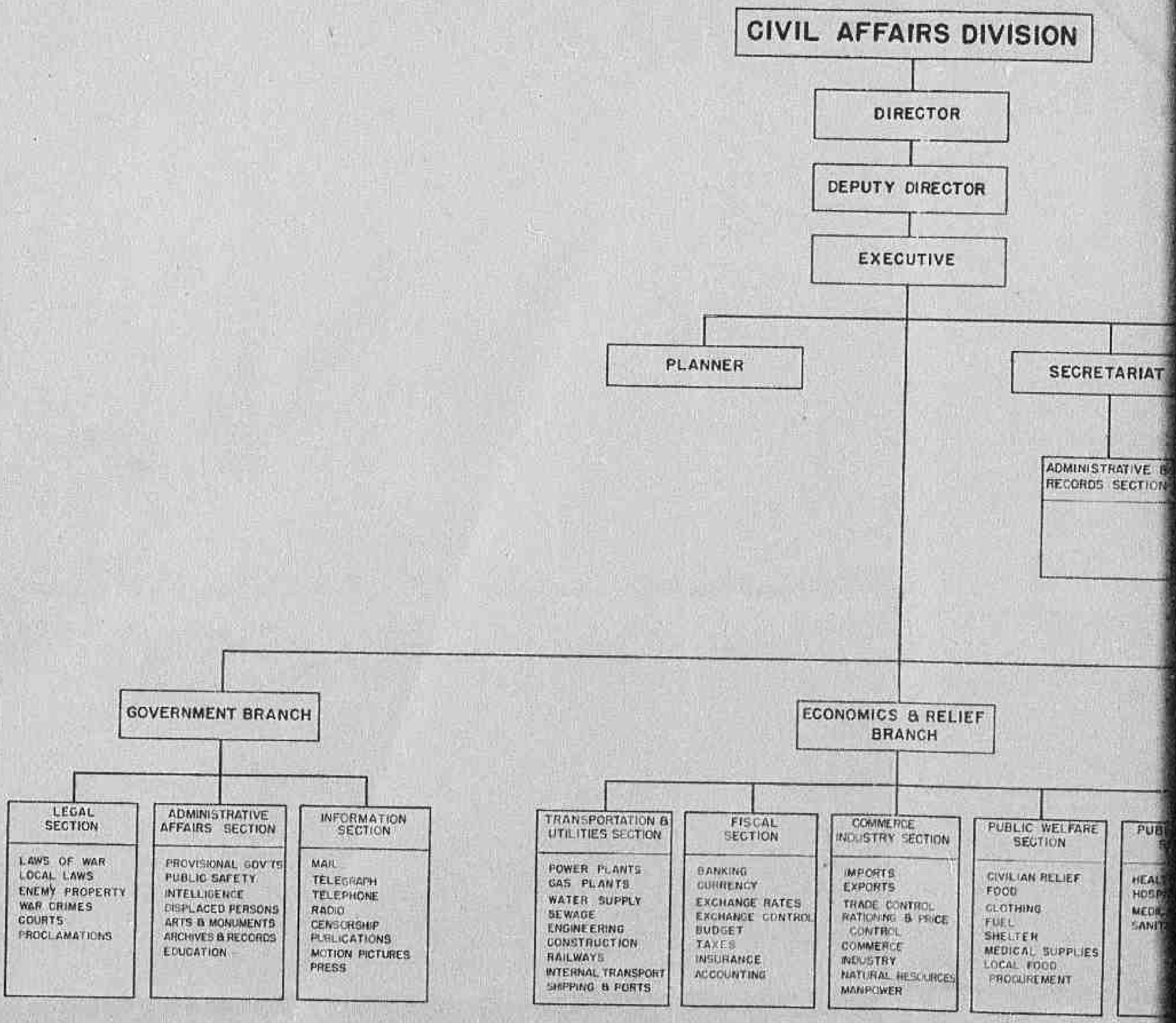
Declassified E.O. 12356 Section 3.3/NND No. 785015

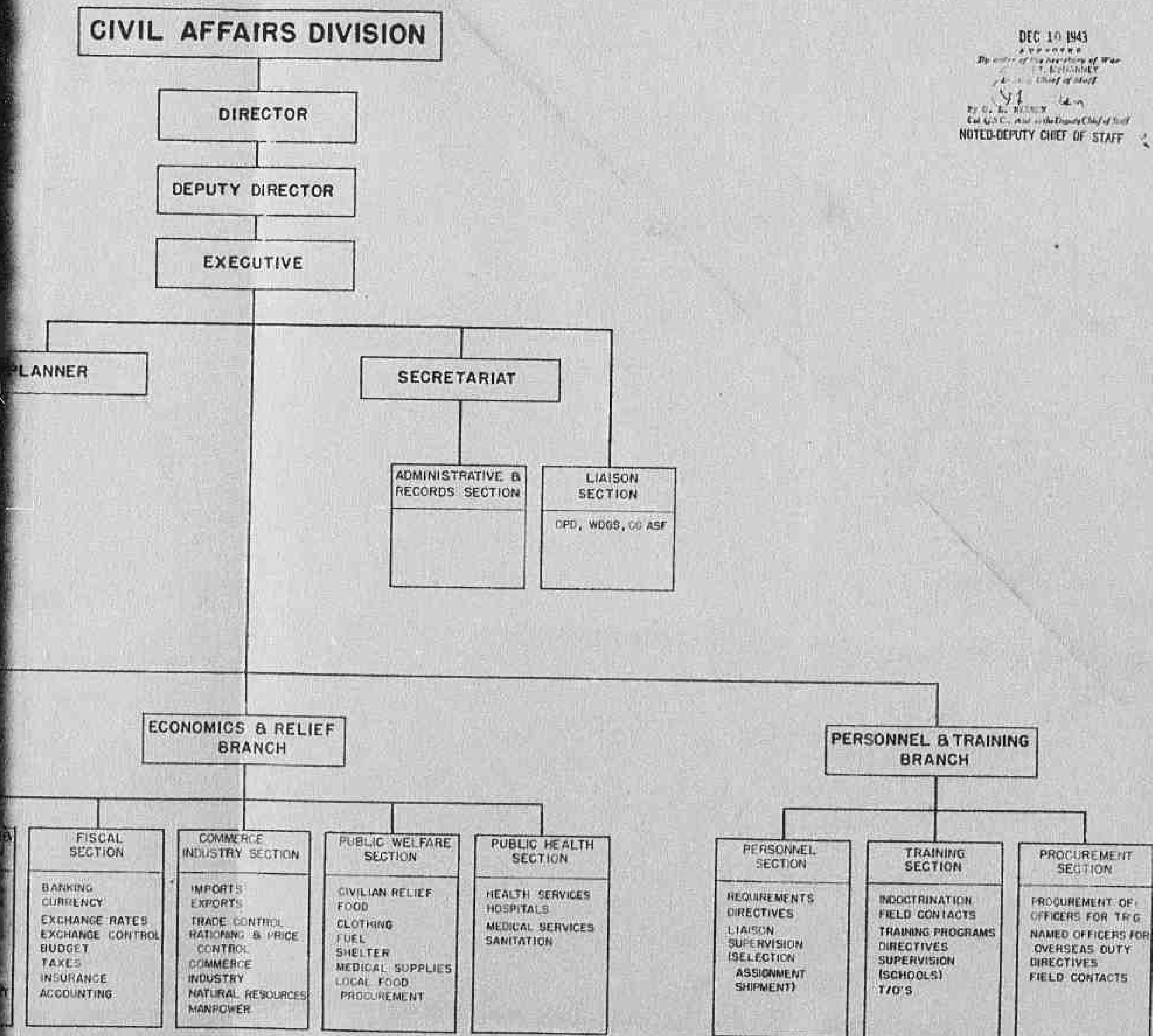
Hq AMG



Declassified E.O. 12356 Section 3.3/NND No. 785015

DEC 10 1943

NOTED-DEPUTY CHIEF OF STAFF



203

FARGO 31 DEC 43

SECRET 10050

PRIORITY

FATIMA (ACTION)

IMPORTANT COMMUNICATIONS QUESTIONS ARE ARISING IN CONNECTION WITH ECONOMICS PD HENCE PAREN FARGO FOR GUETERBOCK PAREN TO FATIMA FOR JOYCE FOR ACTION PD CITE JGR TWO ONE EIGHT PD REQUEST STONE COME EARLY NAPLES TO COORDINATE SHIPPING AND INTERNAL TRANSPORT MATTERS AND STAY SOME DAYS PD GRADY SPOFFORD AGREE

J. F. NICKEL,
Lt. Col., AGD,
Adjutant General.

Copy to: Col. Spofford
Mr. Grady
Comms. Section
Internal Transport Subcom.
Shipping Subcom.
Telecoms Subcom.
Brig. Gueterbock

2076

FARGO

31 DEC 43

10050

SECRET

PRIORITY

FATIMA FOR JOYCE FOR ACTION

Important communications questions are arising in connection with economics. Request Stone come early NAPLES to coordinate shipping and internal transpor t matters and stay some days. GRADY SPOFFORD agree

J. F. NICKEL,
Lt. Col., AGD,
Adjutant General.

P.a.
ECON & ADMIN SECTION

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 512

21 November 1943

SUBJECT: Papers on Certain Organizations in Washington.

TO : Colonel Charles M. Spofford, G.S.C.

1. The following papers are attached:

(a) Copy of Executive Order 9380 establishing the Foreign Economic Administration (FEA).

(b) Memorandum issued by Leo T. Crowley on October 25, 1943, outlining the organization of the Foreign Economic Administration.

(c) A proposed table of organization for Mr. Acheson's staff in the Department of State. This unit in the State Department is continuing to use the name Office of Foreign Economic Coordination (OFEC).

(d) A chart of the Civil Affairs Division of the War Department.

(e) A list of the officers and civilian personnel in the Civil Affairs Division of the War Department.

(f) A list of the personnel in the U.S.Navy Office for Occupied Areas.

(g) A list of the members of the Combined Chiefs of Staff, the Combined Civil Affairs Committee, and the Supply Sub-Committee of the Combined Civil Affairs Committee.

Charles F. Darlington

CHARLES F. DARLINGTON,
Lieut. Commander, USNR

P.a.

(1)

FOR THE PRESS IMMEDIATE RELEASE September 25, 1943

The President today announced the resignation of Sumner Welles, as Under Secretary of State and the appointment of his successor, Edward R. Stettinius, Jr., now Lend-Lease Administrator.

In announcing Mr. Welles' resignation, the President stated that he had accepted it with deep and sincere regret. He said that Mr. Welles had advised him of his desire to be relieved of his heavy governmental duties in view of his wife's health and he could understand and sympathize with that desire.

The President commended Mr. Welles' long service in the Department and said: "Mr. Welles has served the Department of State and this government with unfailing devotion for many years."

Commenting on the Stettinius' appointment, the President said that his broad experience with our Allies both before and after Pearl Harbor as Lend-Lease Administrator, and his long experience as an Executive in business, splendidly equipped him for his new post.

The President also announced the creation of the Office of Foreign Economic Administration, to centralize the activities formerly carried by the Offices of Lend-Lease Administration, Foreign Relief and Rehabilitation Operations and Economic Warfare.

In creating this new office, the President announced that Mr. Leo T. Crowley, Director of Economic Warfare will become the Foreign Economic Administrator. The President said: "Leo Crowley is one of the best Administrators in or out of government and I find great satisfaction in promoting him to a position which will centralize all foreign economic functions in one operating agency."

Governor Herbert Lehman has been appointed Special Assistant to the President for the purpose of perfecting the plans for the meeting of representatives of the United Nations on November 9th. It is expected that Governor Lehman will be urged by this government for the appointment of Director of the United Nations Relief and Rehabilitation Administration.

Following is the Executive Order creating the Foreign Economic Administration:

EXECUTIVE ORDER 9380

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Following is the Executive Order creating the Foreign Economic Administration:

EXECUTIVE ORDER
9380

FOREIGN ECONOMIC ADMINISTRATION

By virtue of the authority vested in me by the Constitution and the statutes of the United States, as President of the United States and Commander in Chief of the Army and Navy, and in order to unify and consolidate governmental activities relating to foreign economic affairs, it is hereby ordered as follows:

1. There is established in the Office for Emergency Management of the Executive Office of the President the Foreign Economic Administration (hereinafter referred to as the Administration), at the head of which shall be an Administrator.

4074

2. The Office of Lend-Lease Administration, the Office of Foreign Relief and Rehabilitation Operations, the Office of Economic Warfare (together with the corporations, agencies, and functions transferred thereto by Executive Order No. 9361 of July 15, 1943), the Office of Foreign Economic Coordination (except such functions and personnel thereof as the Director of the Budget shall determine are not concerned with foreign economic operations) and their respective functions, powers, and duties are transferred to and consolidated in the Administration.

3. The Administrator may establish such offices, bureaus, or divisions in the Administration as may be necessary to carry out the provisions of this order, and may assign to them such of the functions and duties of the offices, agencies and corporations consolidated by this order as he may deem desirable in the interest of efficient administration.

4. The powers and functions of the Administration shall be exercised in conformity with the foreign policy of the United States as defined by the Secretary of State. As soon as military operations permit, the Administration shall assume responsibility for and control of all activities of the United States Government in liberated areas with respect to supplying the requirements of and procuring materials in such areas.

5. All the personnel, property, records, funds (including all unexpended balances of appropriations, allocations, or other funds now available), contracts, assets, liabilities, and capital stock (including shares of stock) of the offices, agencies and corporations consolidated by paragraph 2 of this order are transferred to the Administration for use in connection with the exercise and performance of its functions, powers, and duties. In the case of capital stock (including shares of stock), the transfer shall be to such agency, corporation, office, officer or person as the Administrator shall designate. The Administrator is authorized to employ such personnel as may be necessary in the performance of the functions of the Administration and in order to carry out the purposes of this order.

6. No part of any funds appropriated or made available under Public Law 139, approved July 12, 1943, shall hereafter be used directly or indirectly by the Administrator for the procurement of services, supplies, or equipment outside the United States except for the purpose of executing general economic programs or policies formally approved by a majority of the War Mobilization Committee in writing filed with the Secretary of State prior to any such expenditure.

7. All prior Executive Orders in so far as they are in conflict herewith are amended accordingly. This order shall

and corporations consolidated [illegible]
desirable in the interest of efficient administration.

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7. All prior Executive Orders in so far as they are in conflict herewith are amended accordingly. This order shall take effect upon the taking of office by the Administrator, except that the agencies and offices consolidated by paragraph 2 hereof shall continue to exercise their respective functions pending any contrary determination by the Administrator.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

September 25, 1943.

4073

Crowley Ends Work of Uniting Foreign Tasks

Forms Foreign Economic Administration, Broadest Merger of U. S. Agencies

From the Herald Tribune Bureau

WASHINGTON, Oct. 26. — Leo T. Crowley, Foreign Economic Administrator, announced today that he has completed organiaztion of the Foreign Economic Administration, thus bringing about what he termed the "most far-reaching consolidation of government agencies in this war."

The shake-up brought under Mr. Crowley's direction the Lend-Lease Administration, the Office of Economic Warfare, the Office of Foreign Relief and Rehabilitation, parts of the State Department's Office of Foreign Economic Co-operation, and the foreign procurement activities of the Commodity Credit Corporation, in a broad move to eliminate duplication of operations of the agencies abroad and in this country.

Mr. Crowley announced appointment of two deputy administrators of the F. E. A.—Lauchlin Currie, executive officer of the O. E. W. and special assistant to President Roosevelt, and Henry W. Riley, since 1935 an executive officer of the Federal Deposit Insurance Corporation, also run by Mr. Crowley.

McGoldrick Consultant

Joseph D. McGoldrick, New York City Comptroller, and Joseph M. Cunningham, first deputy comptroller, have been named part-time financial consultants, along with Samuel Zemurray and Arthur Pollan, of the United Fruit Company, Mr. Crowley said.

Oscar Cox, assistant Solicitor General and general counsel of the Office for Emergency Management, will be F. E. A.'s general counsel, and John Carter Vincent, on leave from his post as assistant chief of the State Department's Far Eastern Division, will be acting special assistant to Mr. Crowley. Bernhard Knollenberg, until now with lend-lease, will be executive adviser to the administrator.

Mr. Crowley said "effective

Inter-Departmental Committee for Co-ordination of Foreign and Domestic Military Purchases; Arthur B. Van Buskirk, form Pennsylvania business man, and David B. Vaughan, administrative officer since 1941 for the Office of Economic Warfare. All will be assistants to Mr. Crowley.

William H. Schubart, senior vice-president of the Bank of the Manhattan Company, will be acting director of the Bureau of Supplies, it was announced.

Sidney H. Scheuer, formerly assistant director of O. E. W. in charge of the Office of Imports, will be assistant director of the imports procurement and development branch, and James L. McCamy, formerly with O. E. W., will be director of the bureau of areas.

Under Mr. McCamy will be deputy director Arthur Paul, who was assistant to the director of O. E. W.; Murray Latimer, assistant director in charge of the liberated areas branch; John Orchard, in charge of general areas branch, and William T. Stone, in charge of the enemy areas branch.

he has completed organization of the Foreign Economic Administration, thus bringing about what he termed the "most far-reaching consolidation of government agencies in this war."

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Mr. Crowley said "effective liason arrangements" are being worked out between F. E. A. and the State Department and that administrative orders will be issued soon defining more completely the responsibilities and duties of the officials, offices, and bureaus of the agency.

This liaison will be supervised by Dean Acheson, assistant Secretary of State. Mr. Acheson heads the State Department's Office of Foreign Economic Co-operation.

Other Officials Named

Mr. Crowley said other officials of the F. E. A. are John L. Pratt, former member of the War Resources Board and a former director of the United States Rubber Company; William Griffin, former director of the Bank of the Manhattan Company; Philip Young, formerly with the ... ment branch, and James L. McCamy, formerly with O. E. W., will be director of the bureau of areas.

Under Mr. McCamy will be deputy director Arthur Paul, who was assistant to the director of O. E. W.; Murray Latimer, assistant director in charge of the liberated areas branch; John Orchard, in charge of general areas branch, and William T. Stone, in charge of the enemy areas branch.

4072

Declassified E.O. 12356 Section 3.3/NND No. 785015

(2)

MEMORANDUM TO THE STAFF OF THE CONSTITUENT AGENCIES OF THE FOREIGN ECONOMIC ADMINISTRATION

October 25, 1943

In order to give maximum effectiveness to the provisions of Executive Order No. 9380 creating the Foreign Economic Administration, the Office of Economic Warfare, Office of Foreign Relief and Rehabilitation Operations, Office of Lend-Lease Administration, and such parts of the Office of Foreign Economic Coordination as may be transferred from the State Department will be completely merged into a single agency -- the Foreign Economic Administration.

Within the next few days a series of administrative orders will be issued defining more completely the responsibilities and duties of the various officials, offices, and bureaus of the new agency and setting forth the specific operating units of the constituent agencies which will be merged.

The general organization plan of the Foreign Economic Administration is as follows:-

DEPUTY ADMINISTRATORS:

Two Deputy Administrators will assist and assume responsibility on behalf of the Administrator in directing activities and determining policies to the extent assigned by the Administrator.

STAFF OFFICES:

The seven staff offices (the duties of which are generally indicated by their title) will include:-

Office of the General Counsel
Office of Program Planning and Economic Advisory Staff
Office of Organization and Methods
Office of Personnel
Office of Finance
Office of Management Services
Office of Information

The General Counsel will be in charge of the Office of General Counsel and an Assistant Administrator will be in charge of each of the other offices.

BUREAU OF SUPPLIES:

The Bureau of Supplies will include -

(1) The Imports Procurement and Development Division, which will be responsible for the procurement of supplies in foreign countries, the direction of developmental work, and the import of all goods into the United States. This

division will further be divided into several commodity branches.

(2) Requirements and Supply Division, which will be responsible for assembling and screening all foreign requirements, the presentation of requirements and claimancy before WPB and WFA, exporting Lend-Lease goods and controlling commercial exports. This division will be organized into several commodity branches.

(3) Commodities Services Division, which will be composed of the Transportation and Storage Branch furnishing necessary services relating to commodities and the Engineering Branch furnishing engineering advice and services.

BUREAU OF AREAS:

The Bureau of Areas will coordinate the development of area programs, work with the State Department in obtaining policy determinations, relate programs to military plans, and assist the Administrator and Deputies in the direction of field operations.

The Bureau of Areas will include -

(1) Division of Liberated Areas, which will be responsible for the development of economic plans and operation plans on behalf of the United States, and will assist the military services and the United Nations Relief and Rehabilitation Administration.

(2) Division of General Areas, which will be responsible for the development and coordination of programs and operations for all countries not included in liberated or enemy areas.

(3) Division of Enemy Areas, which will include responsibility for programs and operations in enemy countries.

FIELD OPERATIONS:

The Chief of the Mission in each foreign country will be responsible for all phases of the operations of the Foreign Economic Administration within the country, and will derive his authority from and report directly to the Administrator or a Deputy.

There is attached hereto a list of appointments which have been made in the new organization. Other appointments are in process and will be announced in the near future.

(Signed) Leo T. Crowley
Administrator

8

Deputy Administrators	Lauchlin Currie Henry W. Riley
Special Assistant to the Administrator	John Carter Vincent
Special Advisor to the Administrator	Bernhard Knollenberg
General Counsel	Oscar Cox
Assistant Administrators --	
Program Planning and Economic Advisory Staff	V. Frank Coe
Organization and Methods	S.S. Sheppard, Acting
Finance	Leonard B. A'Hearn
Management Services	David B. Vaughn
Director, Bureau of Supplies	William H. Schubart, Acting
Assistant Director, Division of Requirements and Supply	
Assistant Director, Division of Imports, Procurement, and Development	Sidney H. Scheuer
Director, Bureau of Areas	James L. McCamy
Deputy Director	Arthur Paul
Assistant Director, Division of Liberated Areas	Murray Latimer
Assistant Director, Division of General Areas	John Orchard
Assistant Director, Division of Enemy Areas	William T. Stone

4007

MR. ACHESON
ASSISTANT SECRETARY OF STATE

ADMINISTRATIVE STAFF

LIBERATED AREAS

Adviser on Liberated Areas	1	P-8	$9,000
UNRRA	1	P-8	8,000
Far East	1	P-8	8,000
Europe	3	P-8	24,000
Financial and property control	1	P-8	8,000
Chief Economist	1	P-8	8,000
Assistant to Adviser	1	P-7	6,500
Administrative Assistant	1	CAF-7	2,600

SUPPLY AND RESOURCES (REPRESENTATION)

Adviser on Supply & Resources	1	P-8	$9,000
Army (Combined Chief of Staff, Civil Affairs Committee, Sub-committee on Supply)	1	P-8	8,000
Combined Food Board	1	P-8	8,000
Combined Raw Materials Board	1	P-8	8,000
Combined Production and Resources Board	1	P-8	8,000
WPB Requirements Committee	1	P-8	8,000
Reciprocal Aid (White Paper)	1	P-8	8,000
Transportation (Combined Shipping)	1	P-8	8,000
Chief Economist	1	P-8	8,000
Assistant to Adviser	1	P-7	6,500
Administrative Assistant	1	CAF-7	2,600

Advi
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Swi
MESC
Afr
Bri
UK.-
Chie
Assi
Admi

(3)

MR. ACHESON
ASSISTANT SECRETARY OF STATE

EXECUTIVE ASSISTANTS

SUPPLY AND RESOURCES (REPRESENTATION)

Adviser on Supply & Resources	1	P-8	$9,000
Army (Combined Chief of Staff, Civil Affairs Committee, Sub-committee on Supply)	1	P-8	8,000
Combined Food Board	1	P-8	8,000
Combined Raw Materials Board	1	P-8	8,000
Combined Production and Resources Board	1	P-8	8,000
WPB Requirements Committee	1	P-8	8,000
Reciprocal Aid (White Paper)	1	P-8	8,000
Transportation (Combined Shipping)	1	P-8	8,000
Chief Economist	1	P-8	8,000
Assistant to Adviser	1	P-7	6,500
Administrative Assistant	1	CAF-7	2,600

SPECIAL AREAS (EASTERN HEMISPHERE)

Adviser on Special Areas	1	P-8	$9,000
Iberian Peninsula	1	P-8	8,000
Swiss,Swedish	1	P-8	8,000
MESC (including Turkey)	1	P-8	8,000
Africa	1	P-8	8,000
British Dominions and India	1	P-8	8,000
UK.- U.S.S.R.	1	P-8	8,000
Chief Economist	1	P-8	8,000
Assistant to Adviser	1	P-7	6,500
Administrative Assistant	1	CAF-7	2,600

Declassified E.O. 12356 Section 3.3/NND No. 785015

MR. ACHESON
ASSISTANT SECRETARY OF STATE

ADMINISTRATIVE STAFF

LIBERATED AREAS

Adviser on Liberated Areas	1	P-8	$9,000
UNRRA	1	P-8	8,000
Far East	1	P-8	8,000
Europe	3	P-8	24,000
Financial and property control	1	P-8	8,000
Chief Economist	1	P-8	8,000
Assistant to Adviser	1	P-7	6,500
Administrative Assistant	1	CAF-7	2,600
Clerk	1	CAF-6	2,300
Clerk-Stenographer	7	CAF-5	14,000
Clerk-Stenographer	2	CAF-4	3,600
Stenographer and Typist	2	CAF-3	3,240
Messenger	2	CPC-3	2,640

Total: 24 at $99,880

SUPPLY AND RESOURCES (REPRESENTATION)

Adviser on Supply & Resources	1	P-8	$9,000
Army (Combined Chief of Staff, Civil Affairs Committee, Subcommittee on Supply)	1	P-8	8,000
Combined Food Board	1	P-8	8,000
Combined Raw Materials Board	1	P-8	8,000
Combined Production and Resources Board	1	P-8	8,000
WPB Requirements Committee	1	P-8	8,000
Reciprocal Aid (White Paper)	1	P-8	8,000
Transportation (Combined Shipping)	1	P-8	8,000
Chief Economist	1	P-8	8,000
Assistant to Adviser	1	P-7	6,500
Administrative Assistant	1	CAF-7	2,600
Clerk.	1	CAF-6	2,300
Clerk-Stenographer	8	CAF-5	16,000
Clerk-Stenographer	2	CAF-4	3,600
Stenographer and Typist	2	CAF-3	3,240
Messenger	2	CPC-3	2,640

Total: 26 at $109,880

Grand Total of 3 Units: 73 at $307,640

DP:JCR:lw

Declassified E.O. 12356 Section 3.3/NND No. 785015

(3)

MR. ACHESON
ASSISTANT SECRETARY OF STATE

EXECUTIVE ASSISTANTS

000
300
000
000
000
000
500

600
300
000
600
240
640

SUPPLY AND RESOURCES (REPRESENTATION)

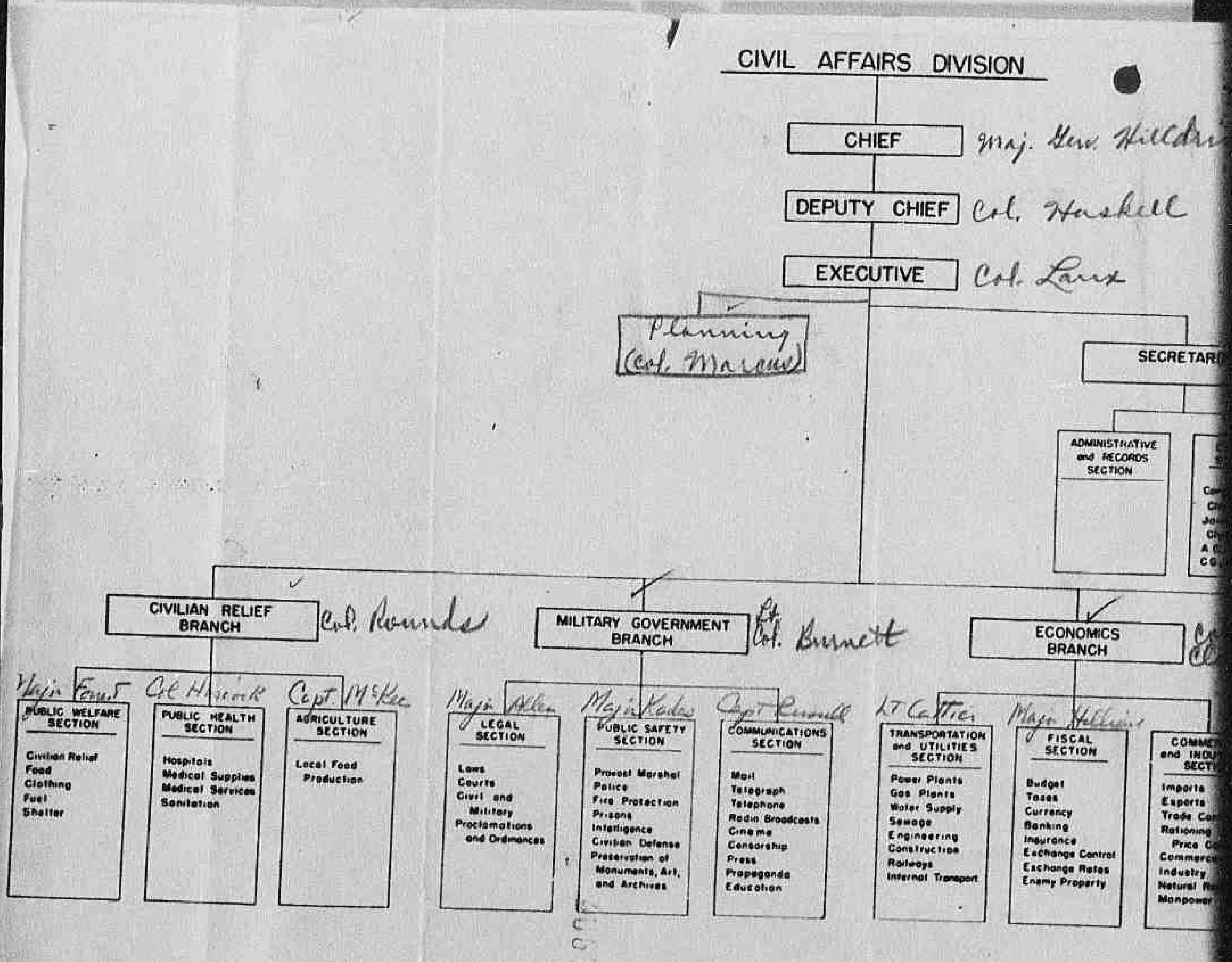
Adviser on Supply & Resources	1	P-8	$9,000
Army (Combined Chief of Staff, Civil Affairs Committee, Subcommittee on Supply)	1	P-8	8,000
Combined Food Board	1	P-8	8,000
Combined Raw Materials Board	1	P-8	8,000
Combined Production and Resources Board	1	P-8	8,000
WPB Requirements Committee	1	P-8	8,000
Reciprocal Aid (White Paper)	1	P-8	8,000
Transportation (Combined Shipping)	1	P-8	8,000
Chief Economist	1	P-8	8,000
Assistant to Adviser	1	P-7	6,500
Administrative Assistant	1	CAF-7	2,600
Clerk,	1	CAF-6	2,300
Clerk-Stenographer	8	CAF-5	16,000
Clerk-Stenographer	2	CAF-4	3,600
Stenographer and Typist	2	CAF-3	3,240
Messenger	2	CPC-3	2,640

Total: 26 at $109,880

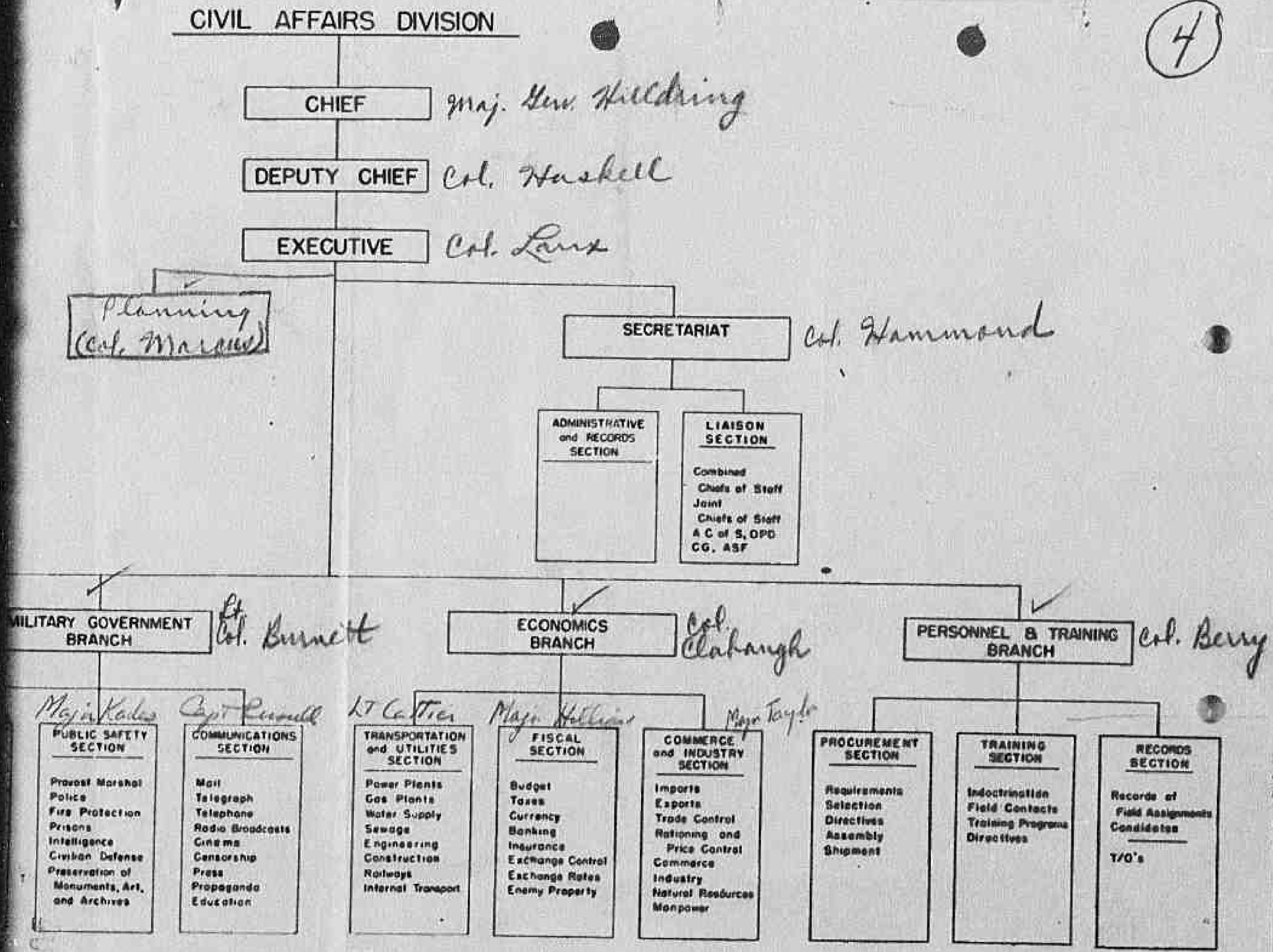
SPECIAL AREAS (EASTERN HEMISPHERE)

Adviser on Special Areas	1	P-8	$9,000
Iberian Peninsula	1	P-8	8,000
Swiss-Swedish	1	P-8	8,000
MESC (including Turkey)	1	P-8	8,000
Africa	1	P-8	8,000
British Dominions and India	1	P-8	8,000
UK.- U.S.S.R.	1	P-8	8,000
Chief Economist	1	P-8	8,000
Assistant to Adviser	1	P-7	6,500
Administrative Assistant	1	CAF-7	2,600
Clerk	1	CAF-6	2,300
Clerk-Stenographer	6	CAF-5	12,000
Clerk-Stenographer	2	CAF-4	3,600
Stenographer and Typist	2	CAF-3	3,240
Messenger	2	CPC-3	2,640

Total: 23 at $97,880


CIVIL AFFAIRS DIVISION
CHIEF
Maj. Gen. Hilldri
DEPUTY CHIEF
Col. Haskell
EXECUTIVE
Col. Lanx
Planning (Col. Marcus)
SECRETARI
ADMINISTRATIVE and RECORDS SECTION
CIVILIAN RELIEF BRANCH
Col. Rounds
MILITARY GOVERNMENT BRANCH
Lt. Col. Burnett
ECONOMICS BRANCH
PUBLIC WELFARE SECTION
Civilian Relief
Food
Clothing
Fuel
Shelter
PUBLIC HEALTH SECTION
Hospitals
Medical Supplies
Medical Services
Sanitation
AGRICULTURE SECTION
Local Food Production
LEGAL SECTION
Laws
Courts
Civil and Military Proclamations and Ordinances
PUBLIC SAFETY SECTION
Provost Marshal
Police
Fire Protection
Prisons
Intelligence
Civilian Defense
Preservation of Monuments, Art, and Archives
COMMUNICATIONS SECTION
Mail
Telegraph
Telephone
Radio Broadcasts
Cinema
Censorship
Press
Propaganda
Education
TRANSPORTATION and UTILITIES SECTION
Power Plants
Gas Plants
Water Supply
Sewage
Engineering
Construction
Railways
Internal Transport
FISCAL SECTION
Budget
Taxes
Currency
Banking
Insurance
Exchange Control
Exchange Rates
Enemy Property
Imports
Exports
Rationing
Industry
Manpower

(4)


CIVIL AFFAIRS DIVISION
CHIEF
Maj. Gen. Hilldring
DEPUTY CHIEF
Col. Haskell
EXECUTIVE
Col. Lanx
Planning (Col. Marcus)
SECRETARIAT
Col. Hammond
ADMINISTRATIVE and RECORDS SECTION
LIAISON SECTION
Combined Chiefs of Staff
Joint Chiefs of Staff
A C of S, OPD
CG, ASF
MILITARY GOVERNMENT BRANCH
Lt. Col. Burnett
ECONOMICS BRANCH
Col. Clabaugh
PERSONNEL & TRAINING BRANCH
Col. Berry
Major Kades
PUBLIC SAFETY SECTION
Provost Marshal
Police
Fire Protection
Prisons
Intelligence
Civilian Defense
Preservation of Monuments, Art, and Archives
Capt Russell
COMMUNICATIONS SECTION
Mail
Telegraph
Telephone
Radio Broadcasts
Cinema
Censorship
Press
Propaganda
Education
Lt Cattier
TRANSPORTATION and UTILITIES SECTION
Power Plants
Gas Plants
Water Supply
Sewage
Engineering
Construction
Railways
Internal Transport
Major Hilliard
FISCAL SECTION
Budget
Taxes
Currency
Banking
Insurance
Exchange Control
Exchange Rates
Enemy Property
Major Taylor
COMMERCE and INDUSTRY SECTION
Imports
Exports
Trade Control
Rationing and Price Control
Commerce
Industry
Natural Resources
Manpower
PROCUREMENT SECTION
Requirements
Selection
Directives
Assembly
Shipment
TRAINING SECTION
Indoctrination
Field Contacts
Training Programs
Directives
RECORDS SECTION
Records of Field Assignments
Candidates
T/O's

Declassified E.O. 12356 Section 3.3/NND No. 785015

(5)

ROSTER OF CAD OFFICERS AND CIVILIAN PERSONNEL

Name	Room	Phone	Residence	Phone
MAJOR GENERAL				
Hilldring, John H.	3C856	6444	Qts 12B - Fort Myer	8120 ext.2160
COLONELS				
Berry, George G.	3C883	6180	107 Lawton St., Falls Church, Va.	CH 2701
Clabaugh, Samuel F.	3C859	6432	Army Navy Club	NA 8400
Hammond, Thomas W., Jr.	3C878	6634	The Shoreham Hotel	NO 6528 c
Haskell, John H. F.	3C862	2945	2327 20th St., NW	DE 4232
Laux, Ray J.	3C866	2947	1614 S. Glebe Rd., Arl.	GL 6271
Marcus, David	3C871	71748	1314 Mass. Ave. NW, Apt. 505	ME 3477
Rounds, Harold E.	3C863	71721	3666 Military Rd., Arl.	CH 8173
LT. COLONELS				
Burnett, Charles P., Jr.	3C875	73158	46 Grafton St., Chevy Chase	WI 7742
Jones, Harry P.	3C866	3613	1325 New Hampshire Ave	DE 6713
Stephenson, Wm. A. F.	3C883	6180	1035 26th St., S. Arl.	JA 1458W
Toole, William F.	3C871	71748	Apt. B-2, 1325 New Hampshire Ave., NW	DE 6713
MAJORS				
Allen, Edgar P.	3C875	73158	5319 Worthington Drive	WI 4853
Aronson, Albert H.	3C883	6180	4826 Davenport St., NW	EM 4576
Forrest, Maulsby	3C867	73738	Hotel 2400, Room 306	CO 7200
Hilliard, Chas. C.	3C857	73766	3610 38th St., NW	OR 0331
Kades, Chas. L.	3C881	3968	3304 Cleveland Ave., NW	OR 5878
McLean, Donald H., Jr.	3C854	5946	3107 N. St., NW	NO 4260
Stone, Louis	3C859	6432	1701 Mass. Ave., NW	MI 6446
Taylor, Thomas R.	3C857	73766	3905 Jocelyn St., NW	WO 6947
CAPTAINS				
Cameron, Warde M.	3C878	~~6198~~ 6634	1415 S. Edgewood St., Arl.	CH 7500
McKee, J. E.	3C867	73738	2849 29th St., NW	DU 6255
Moore, Walden	3C863	71721	1629 "Que" St., NW	MI 9795
Russell, Franklin F.	3C881	3968	257 N. Thomas St., Arl.	CH 2679
Williams, Wilbur L.	3C883	6180	4605 Baltimore Ave.	OL 5796
LIEUT.				
Cattier, Jean	3C857	73766	3130 Wisconsin Ave.	OR 6638
Conger, Clement E.	3C882	4567	2001 24th St., NW	(NO. 0074 (NO 2729
Walworth, Edward H., Jr.	3C882	6198	505 S. Lee St., Alexandria	TE 4642
ENLISTED				
Harris, James A. Y 2/c	3C886	4376	413 Delafield Pl., NW	RA 2931
Schmidt, Nickoline J. S/Sgt.	3C886	4376	2115 C St., NW, Wash. (7)	EX 9625
CIVILIANS				
Beckman, Hilda Miss	3C874	3617	Kansas Hall, Arl. Farms E114	GL 6900
Brown, Frances M. Mrs.	3C857	73766	1204 Talbert St., SE, Apt. 37	
Cade, Aileene Miss	3C874	3617	Cordova Apts., 20th & Fla. NW	NO 1808
Cook, Nadine Miss	3C859	6432	1727 F. St., NW	ME 0963
Cronin, Marie E.	3C863	71721	411 Upshur St., NW	TA 3163
Doss, Elizabeth Miss	3C862	2945	2601 16th St., NW	CO 1000
Harrison, Richard Mr.	3C874	3617	1360 B. Street, SE	
Isbell, Dana C. Mrs.	3C874	3617	1503 N. Jeff. St., Arl.	GL 7750
Kirkman, Cora M. Miss	3C874	3617	1932 Biltmore St., NW	DU 5620
Kiser, Virginia M. Miss	3C881	3968	1427 Shepard St., NW	TA 3496
Klumfoot, Lucille Mrs.	3C874	3617	1320 Anacostia Rd., SE	
Lamb, Irene Miss	3C874	3617	2632 Garfield St., NW	NO 6309

Aronson, Albert E.	3C883	6180	4826 Davenport St., NW	EM 4576
Forrest, Maulsby	3C867	73738	Hotel 2400, Room 306	CO 7200
Hilliard, Chas. C.	3C857	73766	3610 38th St., NW	OR 0331
Kades, Chas. L.	3C881	3968	3304 Cleveland Ave., NW	OR 5878
McLean, Donald H., Jr.	3C854	5946	3107 N. St., NW	NO 4260
Stone, Louis	3C859	6432	1701 Mass. Ave., NW	MI 6446
Taylor, Thomas R.	3C857	73766	3905 Jocelyn St., NW	WO 6947
<u>CAPTAINS</u>				
Cameron, Warde M.	3C878	~~6198~~ 6634	1415 S. Edgewood St., Arl.	CH 7500
McKee, J. E.	3C867	73738	2849 29th St., NW	DU 6255
Moore, Walden	3C863	71721	1629 "Que" St., NW	MI 9795
Russell, Franklin F.	3C881	3968	257 N. Thomas St., Arl.	CH 2679
Williams, Wilbur L.	3C883	6180	4605 Baltimore Ave.	OL 5796
<u>LIEUT.</u>				
Cattier, Jean	3C857	73766	3130 Wisconsin Ave.	OR 6638
Conger, Clement E.	3C882	4567	2001 24th St., NW	(NO. 0074 (NO 2729
Walworth, Edward H., Jr.	3C882	6198	505 S. Lee St., Alexandria	TE 4642
<u>ENLISTED</u>				
Harris, James A. Y 2/c	3C886	4376	413 Delafield Pl., NW	RA 2931
Schmidt, Nickoline J. S/Sgt.	3C886	4376	2115 C St., NW, Wash. (7)	EX 9625
<u>CIVILIANS</u>				
Beckman, Hilda Miss	3C874	3617	Kansas Hall, Arl. Farms E114	GL 6900
Brown, Frances M. Mrs.	3C857	73766	1204 Talbert St.,SE,Apt. 37	
Cade, Aileene Miss	3C874	3617	Cordova Apts.,20th & Fla.NW	NO 1808
Cook, Nadine Miss	3C859	6432	1727 F. St., NW	ME 0963
Cronin, Marie E.	3C863	71721	411 Upshur St., NW	TA 3163
Doss, Elizabeth Miss	3C862	2945	2601 16th St., NW	CO 1000
Harrison, Richard Mr.	3C874	3617	1360 B. Street, SE	
Isbell, Dana C. Mrs.	3C874	3617	1503 N. Jeff. St., Arl.	GL 7750
Kirkman, Cora M. Miss	3C874	3617	1932 Biltmore St., NW	DU 5620
Kiser, Virginia M. Miss	3C881	3968	1427 Shepard St., NW	TA 3498
Klumfoot, Lucille Mrs.	3C874	3617	1320 Anacostia Rd., SE	
Lamb, Irene Miss	3C874	3617	2632 Garfield St., NW	NO 6309
Lawson, Pearl Miss	3C878	6634	Kansas Hall, Arl. Farms	GL 9504
Little, Betty Miss	3C883	6180	Kansas Hall, Arl. Farms	GL 6900
McPhail, Katherine Miss	3C867	73738	Kansas Hall, Arl. Farms	GL 6900
Miller, Ruth J., Miss	3C871	71748	4208 Argyle Terrace NW	GE 6629
Palmer, Betty Miss	3C874	3617	4811 First St. So., Arl.	OX 2827
Powers, Dawn L. Miss	3C866	2947	2131 O St., NW	HO 9100
Quiel, Ruth C. Miss	3C874	3617	1445 Mass. Ave., NW	ME 9789
Raemer, Temple V.	3C875	73158	1730 Mass. Ave., NW	NO 4031
Schuyler, Patricia A.	3C882	6198	1426 21st St., NW	DE 9615
Smith, Colleen A., Miss	3C854	5946	2601 16th St., NW	DU 9721 or CO
Soderstrum, Brooks E. Mrs.	3C874	3617	726 Hamilton St., NW	TA 043[illegible]
Valentine, Dorothy V. Miss	3C856	6444	1631 Euclid NW, Apt 103	DU 589[illegible]
Walters, Catherine Mrs.	3C874	3617	3107 G. St., SE	TR 4588
<u>MESSENGERS</u>				
Byrd, Clarence	3C874	3617	1421 12th St. NW	DU 3523
Hayes, Chas. C.	3C874	3617	3949 Benning Rd., NE	FR 3246

\- Advise promptly when any change occurs -

24-51771

(6)

ROSTER OF PERSONNEL IN THE U.S. NAVY OFFICE FOR OCCUPIED AREAS

	NAME	RANK	RM.NO.	TEL.	
	BERGQUIST, Laurence C.	Lieut., USNR	3B867	5018	Pers.
	BOGAN, Eugene F.	Lieut., USNR	3B879	73468	Planning
	BUTLER, H.St. John	Comdr., USN	3B875	6970	Analysis & Info.
	CALLAHAN, Clare M.	Y 3/c, USNR	3B883	71385	
	COLLETT, Marion T.	Y 3/c, USNR	3B879	73468	
	D'AUTEUIL, Theresa G.	Y 2/c, USNR	3B857	71006	
	FOWLE, Frank F., Jr.	Lieut., USNR	3B885	73441	CCAC
	FULCE, Elsie M.	Y 2/c, USNR	3B875	6970	
	HUNSBERGER, Warren S.	Lieut., USNR	3B879	73468	Planning
	HUNT, Bryan	Lieut., USNR	3B879	73468	"
	MacLEAN, Malcolm S.	Lt. Comdr., USNR	3B875	6970	Information
	McILHANY, Virginia L.	Y 3/c, USNR	3B863	71291	
Chief -	PENCE, Harry L.	Captain, USN	3B859	71006	
	REINKE, Lucille M.	Civilian	3B871	73474	
	RICHARDS, Alice L.	Ensign, USNR	3B871	73474	Administration
	ROCKEFELLER, John D., III	Lieut, USNR	3B883	71385	Civ. Policy
	SEAGENT, Willis	Lt. Comdr. USNR	3B867	5018	
	SCHONEMAN, Mildred J.	Y 3/c, USNR	3B867	5018	
Asst Chief -	SHEARS, CURTIS C.	COMDR USNR	3B863	71291	Exec
	SHOOSHAN, Harry M., Jr.	Ensign, USNR	3B863	71291	
	STEEHOLM, Hardy	Lt. Comdr., USNR	3B887	73441	T. D.
Asst Chief -	TUCK, William H.	Comdr., USNR	3B863	71291	
	WICKWARE, Godfrey V.	Lt. Comdr., USNR	3B883	71385	Supply Procurement
—	WILLIS, Armond D.	Lt. Comdr., USNR	3B867	5018	Pers & admin

4063

THE COMBINED CHIEFS OF STAFF

Representatives of the British Chiefs of Staff

Field Marshal Sir John Dill
Admiral Sir Percy Noble
Lieutenant General G. N. Macready
Air Marshal Sir William L. Welsh

Secretary - Brigadier H. Redman
Deputy Secretary -
  Commander R. D. Coleridge

Joint Chiefs of Staff

Admiral William D. Leahy
General G. C. Marshall
Admiral E. J. King
General H. H. Arnold

Secretary -
  Brigadier General
  John R. Deane
Deputy Secretary -
  Captain Forrest B. Royal, USN
Executive Secretary -
  Colonel C. R. Peck
Supply Secretary -
  Colonel Don E. Lowry
Asst. Secy., Communications -
  Colonel F. W. Wozencraft
Assistant Deputy Secretary -
  Major W. W. Chapman, Jr.

Administrative Section -
  Captain Frank Loftin, USN
  Colonel C. J. Gridley

COMBINED CIVIL AFFAIRS COMMITTEE

British Members

Sir Ronald Campbell - Embassy Rep.
Lt. General G. N. Macready
(Colonel G. A. Rickards)
Sir David Waley
  Civ. Rep. Financial
Mr. A. D. Marris -
  Civ. Rep. Economic

Secretary -
  Wing Cdr. T. E. H. Birley

U. S. Members

Hon. John J. McCloy -
  Chairman - Civ. Rep.
Mr. Jas, C. Dunn - State Dept.
Maj. General J. H. Hilldring -
  Army Rep.
Captain H. L. Pence, USN -
  Navy Rep.

Secretary -
  Colonel T. W. Hammond, Jr.

SUPPLY SUB-COMMITTEE
COMBINED CIVIL AFFAIRS COMMITTEE

British Members

Colonel G. A. Rickards
Mr. A. D. Marris

Secretary -
Major C. W. Garnett

U. S. Members

Brig. General Boykin C. Wright - Chairman
Colonel H. E. Rounds
Comdr. G. V. Wickware

Secretary -
Major A. E. Palmer, Jr.

Declassified E.O. 12356 Section 3.3/NND No. 785015

834

203,115

P.A.

Confirmation

Econ dir

ACTION Cols

HEADQUARTERS
21 NOV 1943
AMG.

CONFIDENTIAL
EQUALS BRITISH CONFIDENTIAL

D C of S
(Ops & Gen)

200900A NR 189 CONFIDENTIAL PRIORITY IBS-3888

FROM : FILPOT FROM AMG 201600A

TO : SEARS FOR FARGO FOR MCSHERRY

Have not been advised of situations Naples area referred to in your 728 of 18th November. However have been hoping some time establish with your help Central Economic Group, Naples handle AMG/ACC Economic matters all Italy. Personnel you name might form nucleus working with supply group my Headquarters now located Procincia Building Naples. Request officers named be attached my Headquarters instead of Region 3. X

(TO SEARS FOR FARGO FOR MCSHERRY FROM FILPOT FROM AMG CITE FA 246)

DIST:

ACC (ACTION)

CO

ACTION

X. Agreed that Officers named should be attached temp. to AMG 15 Army Gp as requested.

(Cable No) 797

CONFIDENTIAL
EQUALS BRITISH CONFIDENTIAL

Other part not yet dealt with.

Confirmation 19 20/11/15

78

NBS11-593

P.A.
Econ Dir

HEADQUARTERS
18 NOV 1943
AMGOT

Cor
Econ DIR
1 VC

180800A NR -976 CONFIDENTIAL OPERATIONAL PRIORITY IBS-3768

FROM: FILPOT FROM AMG
TO : SEARS FOR FARGO

181530A

Representation Resources Board Meetings for AMG forward Areas arranged by this Headquarters your MOSA 13713 November (137 13th November ?) refers, also representation APULIA and Region 2 subject Palermo approval. Merrall arriving Naples 17th November arrange representation Region 3 and 5th Army. Recommend combining Allocation of Surpluses Meeting with Transportation Meeting since so closely related.

Have scheduled meeting to discuss prices for 1030 hours 22nd November Provincia Building in view pressing nature this problem. Request Palermo and Brindisi send representation this meeting. General Rennell presiding.

(TO SEARS FOR FARGO FROM FILPOT FROM AMG CITE FOX A212)

DISTRIBUTION:

ACC (ACTION)

CC

Where is action copy?

Action copy taken to Naples by Col Adams.

4061

Confirmation 19 20 115 784 NDS11-593

CONFIDENTIAL

P.A.
Econ Dir

HEADQUARTERS
18 NOV 1943
AMGOT

C of S
Econ DIR
I+C

180800A NR -976 CONFIDENTIAL OPERATIONAL PRIORITY IBS-3768

FROM: FILPOT FROM AMG 181530A
TO : SEARS FOR FARGO

Representation Resources Board Meetings for AMG forward Areas arranged by this Headquarters your MOSA 13713 November (137 13th November ?) refers, also representation APULIA and Region 2 subject Palermo approval. Merrall arriving Naples 17th November arrange representation Region 3 and 5th Army. Recommend combining Allocation of Surpluses Meeting with Transportation Meeting since so closely related.

Have scheduled meeting to discuss prices for 1030 hours 22nd November Provincia Building in view pressing nature this problem. Request Palermo and Brindisi send representation this meeting. General Rennell presiding.

(TO SEARS FOR FARGO FROM FILPOT FROM AMG CITE FOX A212)

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CC

Where is action copy?

Action copy taken to Naples by Col Adams.

4061

CONFIDENTIAL

FROM: SEARS FOR FAR[illegible] - 797

Precedence: ____________

TO: FILPOT FOR AMG

Classification: ____________

SITUATION NAPLES AREA AGREE YOUR PROPOSAL FOX ABLE TWO FOUR SIX PAREN FROM SEARS FOR FARGO TO FILPOT FOR AMG CITE FARGO 797 TWO ONE NOVEMBER PAREN X PERSONNEL NAMED H[redacted] AND MAY BE ATTACHED YOUR HEADQUARTERS FOR PURPOSE STATED

temporarily

leaving early air

OK to send

OK

400[illegible]

Room 22

Declassified E.O. 12356 Section 3.3/NND No. 785015

874

confirmation 22

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203.16.115

NBS 11-744

211650A   MR 729   CONFIDENTIAL PRIORITY   IBS 3975
220805A

FROM: FLAMBO * MGS ADV * ADAMS

TO : FARGO

Send immediately Major Osman of Finance as our representative dealing with Social Insurance and Workmade Compensation for Workers Employed Allied Forces. To report FLAMBO MGS ADV office.

NEW SUBJECT: Need Trussdale and Germann Agriculture report Hartman Region 3 Agriculture Monday C.

(For FARGO signed Adams. From Flambo from MGS ADV from Adams to Sears for FARGO, cite MGSA 22)

DIST:

ACC (ACTION)

CO

Info copies to Econ Div
Finance
Agriculture

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4059

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
LEGAL SUB-DIVISION

PA

Spofford for your inf.

6 November 1943.

MEMORANDUM TO : Brig. Gen. Frank J. McSherry.

SUBJECT : State of Preparedness of Administrative Sub-Divisions to Assume their Functions under ACC Conditions.

1. As Acting Administrative Director, I recently requested the chiefs of the sub-divisions under my jurisdiction to prepare Administrative Instructions to be issued to specialist officers in the various sub-divisions in the field as to their duties under ACC conditions. It developed that not one of the sub-division chiefs was prepared to do so. I asked whether such directives had not been prepared at Tizi-Ouzou and was informed that they had not; that the only directives prepared were the short general directives outlined ~~in the proposed form of~~ the general functions of the sub-divisions. They stated that so far as they knew, no study had been made as to the actual manner in which these functions would in fact be carried out by the officers in the various sub-divisions.

2. I pointed out that it was conceivable that Regions I and II might be turned over to the Italian Government at some period and that then all officers in the field would have to change from Military Government to ACC functions. When asked whether any of the sub-division chiefs in question felt that he was prepared to go into action in the near future, they unanimously agreed that not one of them was prepared to issue the necessary instructions to enable the general functions of the sub-divisions, as set forth in the directives prepared at Tizi-Ouzou, to be carried into effect. I should add that the Legal Sub-Division is prepared to issue such instructions.

3. I have given instructions to the Administrative sub-divisions to prepare such directives at the earliest moment. But you will recall that it was the preparation of these directives that took the bulk of the time devoted to planning in preparation for "Husky." The outline plan, known as "the ASCOT Plan," which corresponds generally to the outline plans prepared at Tizi-Ouzou, which had been prepared primarily by Colonel Spofford, with the assistance of Colonel Maxwell, and was completed about the fifteenth of May. It was at that time that the full planning staff was assembled at Chrea and the real work of planning began. You will recall that it took from six to eight weeks to prepare all of the actual administrative directives and to train and instruct the personnel of the different divisions so as to enable them to carry out their functions in the field.

4. The seriousness of the situation which would confront ACC if Regions I and II were turned over to the Italian Government in the immediate future is apparent.

W.C.C.
WILLIAM C. CHANLER,
Lt. Col., FA,
Acting Administrative Director.

Copy to G-5.

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