

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

785015

ACC

10000/100/1105

EXEC
AUG.

11/15

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

785015

10000/100/1105

EXECUTIVE COUNCIL, MINUTES OF MEETINGS
AUG. 1943 - FEB. 1944

79 pp.

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

785015

FILMED AS FOUND
IN COLLECTION

C O N F I D E N T I A L

HEADQUARTERS
ALLIED CONTROL COMMISSION,
APO 394

9th February, 1944

Correction to Minutes of Executive Council
23rd Meeting, 4 February 44

1. At the request of Lieut. Col. Jenny, para.244 (c) of the Minutes of the 23rd Meeting of the Executive Council is corrected to read as follows:

" The Public Works Ministry is not yet certain as to where the division will be in the functions between Public Works and the Industry and Commerce Ministry. Whatever that will be, it is quite apparent that there will have to be close co-operation between our Public Works and Industry and Commerce Sub-Commissions."

Lewis H. Van Dusen, Jr.
LEWIS H. VAN DUSEN, Jr.,
Major, Ord.,
Secretary.

DISTRIBUTION:

Chief Commissioner
Deputy Chief Commissioner.
A.C.A.O. of all regions.
S.C.A.O. 5th and 8th Armies.
Chiefs of all Sub-Commissions.
All Vice-Presidents.
All Deputies to Vice-Presidents.
Spares (25)
Secretary (2)

2508

CONFIDENTIAL

HEADQUARTERS
ALLIED CONTROL COMMISSION
APO 394

Ref/44/5/Cia.

6 February 1944.

MINUTES
EXECUTIVE COUNCIL
23rd Meeting
4 February 1944

PRESENT

Lt. General Sir Noel F.N. Mason MacFarlane (Chairman)
Major General S.S. Solodovnik
Brigadier General Erskine E. Hume
Brigadier M.S. Lush
Brigadier Parkinson
Brigadier Gusterbock
Brigadier Carr
Brigadier Dunlop
Mr. Henry Grady
Mr. Ian Campbell
Mr. Caocin
Mr. Leber
Col. Whittley
Col. Young
Col. Evans

Col. Adams
Col. Spofford
Col. Fiske
Col. Blair
Col. Upjohn
Col. Graffey-Smith
Col. Kirk
Col. Fitch

Commodore Palmer
Col. Adams
Col. Belser
Col. Henderson

Lt. Col. McCaffery
Lt. Col. Poletti
Lt. Col. Smith
Lt. Col. Carl Miller
Lt. Col. French
Lt. Col. Jenny

Lt. Col. Harris

Chief Commissioner.
Soviet Rep. with A.C.C.
S.C.A.O. 5th Army.
R.C. & M.C.S., Exec. Comm.
Director P.H. Sub-Commission.
Chief of Staff.
R.C.A.O. Region IV.
R.C.A.O. Region VI.
Economic Section.
METRO.
Political Section.
" "
R.C.A.O. Region V.
Security and Intelligence.
Director, Industry &
Commerce Sub-Commission.
Chief Staff Officer, Econ. Sec.
D.C.C.A.O.
Deputy Exec. Commissioner.
Director Labor Sub-Commission.
Director Legal Sub-Commission.
Director Finance Sub-Comm.
Director P.S. Sub-Comm.
Director Int. Transportation
Sub-Commission.
Chief, Naval Section.
C.S.O. Econ. Section.
Region 5.
Director, Telecommunications
& Postal Sub-Comm.
R.C.A.O. Region II.
R.C.A.O. Region I.
D/Director Labor Sub-Comm.
D/Director Finance Sub-Comm.
Liaison Officer.
Director F.W. & Mining Sub-
Commission.
Director Prop. Control Sub-Comm.
Director Int. Planning

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

785015

Adm. Matthews
Adm. Gresham
Adm. Gresham 2047

Brig. General Erskine E. Hume
 Brigadier M.S. Lush
 Brigadier Parkinson
 Brigadier Gueterbock
 Brigadier Carr
 Brigadier Dunlop
 Mr. Henry Grady
 Mr. Ian Campbell
 Mr. Caccia
 Mr. Reber
 Col. Whittlesey
 Col. Young
 Col. Evans
 Col. Adams
 Col. Spofford
 Col. Fiske
 Col. Bain
 Col. Upjohn
 Col. Crafftey-Smith
 Col. Kirk
 Col. Fitch
 Commodore Palmer
 Col. Adams
 Col. Belser
 Col. Henderson
 Lt. Col. McCaffery
 Lt. Col. Poletti
 Lt. Col. Smith
 Lt. Col. Carl Miller
 Lt. Col. French
 Lt. Col. Jenny
 Lt. Col. Harris
 Lt. Col. Reiter
 Lt. Col. Monfort
 Lt. Col. The Lord Porrester
 Lt. Col. Hancock
 Lt. Col. Cripps
 Lt. Col. Spicer
 Lt. Col. Legg
 Lt. Col. Tenney
 Major Dickie
 Major John Ames
 Major Sir P. Magnus
 Major Friend James
 Major Washburn
 Major Barry
 Major Van Dusen
 S.C.A.O. 5th Army.
 R.C. & M.C.S., Exec-Comm.
 Director P.F. Sub-Commission.
 Chief of Staff.
 R.C.A.O. Region IV.
 R.C.A.O. Region VI.
 Economic Section.
 MPEO.
 Political Section.
 " "
 R.C.A.O. Region V.
 Security and Intelligence.
 Director, Industry &
 Commerce Sub-Commission.
 Chief Staff Officer, Econ. Sec.
 D.C.C.A.O.
 Deputy Exec. Commissioner.
 Director Labor Sub-Commission.
 Director Legal Sub-Commission.
 Director Finance Sub-Comm.
 Director P.S. Sub-Comm.
 Director Int. Transportation
 Sub-Commission.
 Chief, Naval Section.
 C.S.O. Econ. Section.
 Region 5.
 Director, Telecommunications
 & Postal Sub-Comm.
 R.C.A.O. Region II.
 R.C.A.O. Region I.
 D/Director Labor Sub-Comm.
 D/Director Finance Sub-Comm.
 Liaison Officer.
 Director P.W. & Mining Sub-
 Commission.
 Director Prop. Control Sub-Comm.
 Chief Industrial Planning
 Staff.
 D/S.C.A.O. 6 Army.
 D/R.C.A.O. Region III.
 D/R.C.A.O. Region I.
 S.O. Admin. Section.
 Director Int. Sub-Comm.
 Director Food Sub-Comm.
 Chief of Staff, Region 5.
 D/Director Ag., For., & Fish.
 Executive Officer, S.O. & A.
 Conductor to C.C. & C.O.
 A.C.C. Liaison, Hq. A.C.F.
 Education Sub-Commission.
 Electric Power Mission.
 Secretary.

785015

-2-

230. The Chairman called the meeting to order at 1430 hrs.
231. The Chairman stated that he wished the Director of each Sub-Commission to give a brief statement of the principal activities of that Sub-Commission during the past two weeks, so that all present both from H.Q. and the field would have a general idea what each Sub-Commission was doing and the chief problems which confronted it.
232. Interior Sub-Commission. (Lt. Col. Spicer)
- (a) The chief activities of this Sub-Commission during the past two weeks was the translation of the text of various Italian laws and decrees relating to local government, and the checking of reports from the Italian Government relating to conditions in King's Italy.
- (b) The Sub-Commission has also dealt with a number of applications for the appointment and removal of public officials. The Italians often desired the appointment of officials in unoccupied territory which A.M.G. had removed. In a few cases the Italians had tried to put forward men who were of poor calibre.
- (c) Little had been done as yet on the ecclesiastical side and no difficulties had been encountered.
233. Public Safety Sub-Commission. (Col. Kirk)
- (a) The activities of this Sub-Commission to-date had been advisory rather than operational.
- (b) In connection with the police little direct contact was made at H.Q. because dealings with the Italian Police were largely handled by the Regions. The coordination of civilian internees had been worked out between the various Headquarters. It is believed that in the future this will largely be handled by the Army. Considerable effort has been made to procure arms, equipment and pay for the Carabinieri.
- (c) Studies have been instituted of prisons in an effort to alleviate the congestion in Region 2. This could be done either by obtaining the release by the military of some of the prisoners now used by them; by turning over to the Italian Government the problem of caring for prisoners sentenced by Allied Military Courts, and by the removal of any civilian internees that still might be incarcerated in prisons.
- (d) A study has been instituted in connection with the Fire and Civilian Defence organisations and their equipment. An effort was being made to coordinate the various agencies for registration and licensing.
234. Public Health Sub-Commission. (Brig. Parkinson)
- (a) The typhus epidemic in Naples has been stayed for the moment. Cases have fallen from 35 to 40 down to 17 to 25 a day. However, there are still a substantial number of cases and the epidemic is far from over. Experiments were being made of the new disinfection equipment. A Typhus

(b) The Sub-Commission has also dealt with a number of applications for the appointment and removal of public officials. The Italians often desired the appointment of officials in unoccupied territory which A.M.C. had removed. In a few cases the Italians had tried to put forward men who were of poor calibre.

(c) Little had been done as yet on the ecclesiastical side and no difficulties had been encountered.

233. Public Safety Sub-Commission. (Col. Kirk)

(a) The activities of this Sub-Commission to-date had been advisory rather than operational.

(b) In connection with the police little direct contact was made at H.Q. because dealings with the Italian Police were largely handled by the Regions. The coordination of civilian internees had been worked out between the various Headquarters. It is believed that in the future this will largely be handled by the Army. Considerable effort has been made to procure arms, equipment and pay for the Carabinieri.

(c) Studies have been instituted of prisons in an effort to alleviate the congestion in Region 2. This could be done either by obtaining the release by the military of some of the prisoners now used by them; by turning over to the Italian Government the problem of caring for prisoners sentenced by Allied Military Courts, and by the removal of any civilian internees that still might be incarcerated in prisons.

(d) A study has been instituted in connection with the Fire and Civilian Defence organisations and their equipment. An effort was being made to coordinate the various agencies for registration and licensing.

234. Public Health Sub-Commission.

(Brig. Parkinson)

(a) The typhus epidemic in Naples has been stayed for the moment. Cases have fallen from 35 to 40 down to 17 to 25 a day. However, there are still a substantial number of cases and the epidemic is far from over. Experiments were being made of the new disinfection equipment. A Typhus Board has been set up on which representatives of the Army and Navy and A.C.C. sit. This Board will not exist permanently as the Army and Navy are anxious for A.C.C. to take over the problem as soon as possible.

(b) A survey had been made of the hospital situation. One of the chief problems is securing an adequate ration of food for hospital and institutional purposes; as the inmates were not able to supplement the regular ration with additional food from outside sources.

- (c) Contacts have been made with the various veterinary sources and laboratories are being set up for the provision of serum.
- (d) The Venereal Disease problem in Naples and in the 5th Army area is still tremendous. The authorities are trying to combat the evil by putting un-licensed houses out of bounds to troops, and by instituting hospital treatment for the cases found, but the figures are still high.
- (e) Red Cross clothing has recently arrived and is being distributed.
- (f) A Program has been undertaken for the control of malaria during the coming season which promises to be a sizable problem, as the irrigation ditches have been destroyed. Every effort must be made to restore adequate malarial controls.

The Chairman emphasized the necessity of each R.C.A.O. recognizing, treating and reporting every case of typhus in his area. A.C.C. will have to take over the typhus problem even in Naples as soon as possible, and the situation must be watched closely to prevent any spread.

235. Legal Sub-Commission. (Col. Upjohn)

- (a) The Minister of Justice was not very strong but could act on a low level as he had in Foggia when he set up a Court of Appeal there because the usual Court of Appeal operating from Bari was unable to function in Foggia.
- (b) The publication of decrees originating in King's Italy was frequently desirable in occupied territory, as it would mean fewer general orders and a more unified system. A program has been instituted for making such decrees effective in occupied territory. Each Sub-Commission should submit any decrees promulgated in Italian territory which it thought should be made effective in occupied territory.
- (c) The Italian Government has been very cooperative in connection with the suggestions of this Sub-Commission for the appointment and promotion of judicial officials. He seldom allowed men to leave posts in occupied territory, as they had been trying to do in Region 2, and then secure judicial appointments in Italian territory. No recommendations of this nature were made or approved except after careful vetting, in an effort to see that they were in the interest of all concerned.
- (d) At present as in the past many cases were unnecessarily tried in the Allied Courts, particularly in Sicily. Many of these cases could be handed over to the Italian judicial system. The Allied Courts should try only cases in which Allied interests were directly involved; after the Italian Courts began to function in any area.
- (e) All R.C.A.Os. should notify the Legal Sub-Commission at once if any legal personnel were placed in office so that the Legal Sub-Commission could be kept informed of the work being done by their personnel.

The Chairman emphasized the importance of the last two items mentioned that the decrees of the Italian Government

to take over the typhus problem even in Naples as soon as possible, and the situation must be watched closely to prevent any spread.

235. Legal Sub-Commission (Col. Upjohn)

- (a) The Minister of Justice was not very strong but could act on a low level as he had in Foggia when he set up a Court of Appeal there because the usual Court of Appeal operating from Bari was unable to function in Foggia.
- (b) The publication of decrees originating in King's Italy was frequently desirable in occupied territory, as it would mean fewer general orders and a more unified system. A program has been instituted for making such decrees effective in occupied territory. Each Sub-Commission should submit any decrees promulgated in Italian territory which it thought should be made effective in occupied territory.
- (c) The Italian Government has been very cooperative in connection with the suggestions of the Sub-Commission for the appointment and promotion of Judicial officials. He seldom allowed men to leave posts in occupied territory, as they had been trying to do in Region 2, and then secure Judicial appointments in Italian territory. No recommendations of this nature were made or approved except after careful vetting, in an effort to see that they were in the interest of all concerned.
- (d) At present as in the past many cases were unprocessed, tried in the Allied Courts, particularly in Sicily. Many of these cases could be handed over to the Italian Judicial system. The Allied Courts should try only cases in which Allied interests were directly involved, after the Italian Courts began to function in any area.
- (e) All R.C.A.Os. should notify the Legal Sub-Commission at once if any Legal personnel were placed in office so that the Legal Sub-Commission could be kept informed of the work being done by their personnel.

The Chairman emphasized the importance of the last two items mentioned by Col. Upjohn and also indicated that the decrees of the Italian Government should not be published in occupied territory unless separately promulgated or approved in some form.

236. Education Sub-Commission (Major Washburn)

- (a) The vetting of all personnel for previous Fascist activities continues. The higher officials are vetted by H.Q., and the lower officials by the Regions.

785015

-4-

- (b) Some textbooks have been completed and are being printed in Palermo for use in Sicily and Calabria. Those intended for the balance of Italy would be printed in Naples as soon as paper became available.
 - (c) A Local Committee was being set up to handle youth problems, using Naples as a test ground.
 - (d) A survey was being made of the Italian School system, including the allocation of the various schools and statistics relating to their condition and capacity.
 - (e) Detailed instructions were given to all Directors of Education in the provinces indicating how they were to proceed in educating the youth.
- The Chairman asked to what extent Italian youth had become saturated with Fascist doctrine. Major Washburn replied that he thought that they were not as badly affected as the German youth were by Nazism, and many of them in the south were thoroughly sick of the Fascist teachings.

237. Property Control Sub-Commission. (Lt.Col.Harris)

- (a) Administrative Instructions are being brought up-to-date for use in Regions III and IV so that a coordinated and uniform program will be in operation.
- (b) Efforts are being made to regularise the position of Allied and French property in King's Italy.

238. Pine Arts and Monuments Sub-Commission. (Lt.Col.Cripps, S.O.Admin.Section)

Since most damage to historical and artistic objects was done by our troops rather than by the enemy, the representatives of this Sub-Commission should be sent forward with the troops to prevent damage. Brig. Lush said that he thought that it was the Lines of Communication troops that did the damage and not the fighting troops. The Chairman said that he thought that it was a question of constantly educating the troops as to the objects and buildings which must be preserved. Lt.Col. Harris stated that in Region IV Allied property was posted by the R.C.A.O. indicating that it was out of bounds to troops, and that a similar program might be used in respect of historical or artistic monuments.

239. Industry and Commerce Sub-Commission. (Col.Evans)

The program of this Sub-Commission fell into three branches :

- (a) Rehabilitation of industry, which was limited by shortage of coal and power.
- (b) The allocation of raw materials and collection of information thereon for the Local Resources Boards.
- (c) The export of surplus commodities.

Chairman asked to what extent Italian youth had become saturated with Fascist doctrine. Major Washburn replied that he thought that they were not as badly affected as the German youth were by Nazism, and many of them in the south were thoroughly sick of the Fascist teachings.

237. Property Control Sub-Commission. (Lt.Col.Harris)

- (a) Administrative Instructions are being brought up-to-date for use in Regions III and IV so that a coordinated and uniform program will be in operation.
- (b) Efforts are being made to regularise the position of Allied and French property in King's Italy.

238. Pine Arts and Monuments Sub-Commission. (Lt.Col.Cripps, S.O.Admin.Section)

Since most damage to historical and artistic objects was done by our troops rather than by the enemy, the representatives of this Sub-Commission should be sent forward with the troops to prevent damage. Brig. Lush said that he thought that it was the Lines of Communication troops that did the damage and not the fighting troops. The Chairman said that he thought that it was a question of constantly educating the troops as to the objects and buildings which must be preserved. Lt.Col. Harris stated that in Region IV Allied property was posted by the P.C.A.O. indicating that it was out of bounds to troops, and that a similar program might be used in respect of historical or artistic monuments.

239. Industry and Commerce Sub-Commission. (Col.Evans)

The program of this Sub-Commission fell into three branches :

- (a) Rehabilitation of industry, which was limited by shortage of coal and power.
- (b) The allocation of raw materials and collection of information thereon for the Local Resources Boards.
- (c) The export of surplus commodities.

Mr. Grady said that Col. Koenig of the Public Works and Mines Sub-Commission had indicated that Sardinian coal was much better than the local people thought. If certain equipment is received as expected these mines will be able to produce a million tons annually by June. The chief limiting factor was transportation.

785015

-5-

240. Electric Power Mission. (Major Barry)

The program for supplying power to Rome from the south in the event that the installations in Rome itself were destroyed by the retreating forces was explained. Power needed for operating the Vatican, which would probably not be cut off by the Germans, would not assist the population very much.

241. Labor Sub-Commission. (Col. Bain)

(a) The re-organization of the employee exchanges in Sicily was being undertaken, as the present system of registration was found to be useless. In Catania reports of a black market in skilled labor had been received. In order mobilizing all labor was being prepared to prevent it.

(b) The Provincial Labor Offices were about to be placed under the Ministry of Labor rather than under the Prefects, because appointments had been influenced by politics.

(c) Orders had been issued recently permitting labor unions to organize freely. King's Italy had agreed to abolish the syndical system of labor organization. An officer has been assigned to keep in touch with newly formed labor organizations. He has talked to the leading members of the recent Bari Conference and believes that the political parties will not disturb the unions until they are formed, after which they will no doubt have some political connection. The people organizing unions were for the most part groping in the dark and have received considerable advice from the Sub-Commission.

(d) The Italian social insurance system was extremely complicated. It was being studied and overhauled.

242. Agriculture, Forestry and Fisheries Sub-Commission. (Major Dickie)

(a) Every effort is being made to plant the seed for the coming season in time and to secure an equitable distribution of the available fertilizers and insecticides.

(b) A census is being taken of the present agricultural productive capacity, because the existing statistics were found to be so old as to be of no real value.

(c) Efforts are being made to organize more effective control of agricultural production, which program is being worked out with the Italian Government. The cooperation of the Italian Government including the Ministry of Agriculture has been very satisfactory.

with the cooperation of a system for their control is in

- taken, as the present system of registration was found to be useless. In Catania reports of a black market in skilled labor had been received. An order mobilizing all labor was being prepared to prevent it.
- (b) The Provincial Labor Offices were about to be placed under the Ministry of Labor rather than under the Prefects, because appointments had been influenced by politics.
- (c) Orders had been issued recently permitting labor unions to organize freely. King's Italy had agreed to abolish the syndical system of labor organization. An officer has been assigned to keep in touch with newly formed labor organizations. He has talked to the leading members of the recent Bari Conference and believes that the political parties will not disturb the unions until they are formed, after which they will no doubt have some political connection. The people organizing unions were for the most part groping in the dark and have received considerable advice from the Sub-Commission.
- (d) The Italian social insurance system was extremely complicated. It was being studied and overhauled.

242. Agriculture, Forestry and Fisheries Sub-Commission. (Major Dickie)

- (a) Every effort is being made to plant the seed for the coming season in time and to secure an equitable distribution of the available fertilizers and insecticides.
- (b) A census is being taken of the present agricultural productive capacity, because the existing statistics were found to be so old as to be of no real value.
- (c) Efforts are being made to organize more effective control of agricultural production, which program is being worked out with the Italian Government. The cooperation of the Italian Government including the Ministry of Agriculture has been very satisfactory.
- (d) A survey of forests and the creation of a system for their control is in progress.
- (e) Efforts are being made to remove as many restrictions as possible from the fishing areas, and to find proper equipment for the fishing fleets.

The Chairman asked if any collective farming had existed in Italy. Major Dickie thought there had been some but that it was not very widespread. Owing to the fact that his staff in the Regions was limited, there had been little opportunity to go into this question thoroughly.

In response to a question by the Chairman, Major Dickie stated that it would probably be necessary to release on leave certain soldiers during the coming harvest. Already the calling up of young men had produced complaints in Foggia.

-6-

243. Food Sub-Commission. (Lt.Col.Leng)

- (a) It was explained that although this Sub-Commission was only two weeks old, efforts were already being made to secure an equitable distribution of the available sources of food. Close collaboration is being maintained with the Internal Transportation Sub-Commission, because the handling of bulk wheat from warehouse to consumer was chiefly a question of road transport.
- (b) A conference is being held this weekend of all the Supply Officers. The chief problems are those relating to milling, the provision of sacks, and the allocation between maintenance and build-up. At the conference it would be ascertained how the Regions wanted the jobs done, and this H.Q. if possible would try to do it that way.
- (c) One of the chief present problems is the existence of different ration scales in different areas. For instance in the 8th Army area 150 grams is allotted to light workers, and as much as 500 grams daily to heavy workers. Such rations could not be supplied. In other Regions a pasta ration had been set up even though it was not included in the basic standard ration. The standard ration scale should be adhered to until there was enough available to increase it for all. Heavy workers were entitled to more food than light workers, but that they should secure this additional quantity by the issuance of a supplementary ration over the standard ration, and not by fixing different scales.
- (d) Additional warehouse space was necessary in order to provide for the bulk supplies which were being imported. An example of this was the expected receipt of 9,000 tons of sugar at Bari and Reggio to last for a considerable period of time. Owing to the exigencies of the shipping situation, this quantity was being received at once instead of over the period during which it was needed.
- (e) Sufficient extra supplies existed to care for the needs of hospitals and institutions. If the Director of the Public Health Sub-Commission made recommendations for supplementary rations, they could in large part be granted.

Brig. Lush emphasised the importance of letting the Regions know at all times what could be expected in the future in the way of food supplies.

A discussion then followed concerning the new A.F.H.Q. memorandum authorising all labor employed by the Armed Forces to receive a midday meal from Army rations. Lt.Col.Poletti emphasised the impossibility of supplying a midday meal for workers spread over a large area, and considered that there was no great demand for it. It was opposed by No.1 District, by the Navy and by I.B.S. in Sicily, and it was used only as a bribe to pirate good workers away from their present employment. Lt.Col.Poletti said that the best way to control the workers was to insist on absolute equality.

The Chairman then requested Brig. Lush to call in all R.C.A.Os. for a meeting with the Food Sub-Commission in order to work out the policy on the subject.

- (c) One of the chief present problems is the existence of different ration scales in different areas. For instance in the 8th Army area 150 grams is allotted to light workers, and as much as 500 grams daily to heavy workers. Such rations could not be supplied. In other Regions a pasta ration had been set up even though it was not included in the basic standard ration. The standard ration scale should be adhered to until there was enough available to increase it for all. Heavy workers were entitled to more food than light workers, but that they should secure this additional quantity by the issuance of a supplementary ration over the standard ration, and not by fixing different scales.
- (d) Additional warehouse space was necessary in order to provide for the bulk supplies which were being imported. An example of this was the expected receipt of 9,000 tons of sugar at Bari and Reggio to last for a considerable period of time. Owing to the exigencies of the shipping situation, this quantity was being received at once instead of over the period during which it was needed.
- (e) Sufficient extra supplies existed to care for the needs of hospitals and institutions. If the Director of the Public Health Sub-Commission made recommendations for supplementary rations, they could in large part be granted.

Brig. Lush emphasised the importance of letting the Regions know at all times what could be expected in the future in the way of food supplies.

A discussion then followed concerning the new A.P.H.Q. memorandum authorising all labor employed by the Armed Forces to receive a midday meal from Army rations. Lt.Col.Poletti emphasised the impossibility of supplying a midday meal for workers spread over a large area, and considered that there was no great demand for it. It was opposed by No.1 District, by the Navy and by I.B.S. in Sicily, and it was used only as a bribe to pirate good workers away from their present employment. Lt.Col.Poletti said that the best way to control the workers was to insist on absolute equality.

The Chairman then requested Brig. Lush to call in all R.C.A.Os. for a meeting with the Food Sub-Commission in order to work out the policy on the subject.

244. Public Works and Mines Sub-Commission. (Lt.Col.Jenny)

- (a) A.P.H.Q. has started a program for the maintenance of military highways in Regions II, III, and IV under the supervision of this Sub-Commission. There are 3,000 kilometres of highways now included in the program. Under this program the Army fixed priorities, the Italian Engineering authorities made a survey of the materials needed and of the local availability of these materials. The Army furnished those materials that were not locally available. The Sub-Commission supervised the execution of the work, and made certain that the money was properly spent and that the priorities were maintained. Most of these jobs were handled from H.Q. rather than from the Regions so that one group could deal with the reorganized Italian engineering authorities. It is impossible to provide food for workers on highways covering 3,000 kilometres.

785015

-7-

(b) The rationing of electricity is becoming increasingly important because of the shortage of power, and all users are being urged to cut down wherever that is possible.

(c) The Ministry of Public Works of the Italian Government covers the entire engineering field, including the re-habilitation of all industry. Therefore, it is not only this Sub-Commission but also the Industry and Commerce Sub-Commission will have to deal with that Ministry.

245. Finance Sub-Commission. (Lt.Col. Miller)

(a) One of the most serious existing problems is the failure of the present tax structure to provide the necessary revenue. Officers have been detailed to the field to stimulate the activity of the tax collecting agencies.

(b) The sale of Postal Savings Bonds is about to commence.

(c) Payments to refugees of the United Nations except those from the U.S. or U.K., have been made at the low relief scale paid to Italians. An increase in these payments is being arranged. Remittances to Sicily from the U.K. and U.S. are being authorized through the Combined Chiefs of Staff whereby restricted amounts may be sent from those places to relatives and friends in Sicily.

(d) It is hoped that the Bank of Italy will soon be operating on a completely national basis.

(e) Studies are constantly being conducted concerning currency and revenue in liberated Italy. If the presses and plates in Rome have been destroyed it is probable that private printings of Italian currency will be made in the U.S.

246. Internal Transportation Sub-Commission. (Col. Fitch)

(a) He outlined the difficulties that were encountered in securing sufficient transport from the allies, particularly rail transport. Now that some passenger trains are being run a permit system will have to be worked out which can be operated by the Italian Government.

(b) Transport by ship has been impeded by the fact that most small ships which could be used for coastal work have been chartered by some branch of the Armed Forces.

(c) On the matter of road transport the Chief Commissioner has been able to secure a promise for a thousand vehicles from the Commanding General in charge of the Italian theater, provided that some organization could be developed within the next two months to handle this transport so that formations of the Army would no longer be faced with requests for their transport from I.C.C. Two hundred of these vehicles are now available

- (b) The sale of Postal Savings Bonds is about to commence.
- (c) Payments to refugees of the United Nations except those from the U.S. or U.K., have been made at the low relief scale paid to Italians. An increase in these payments is being arranged. Remittances to Sicily from the U.K. and U.S. are being authorized through the Combined Chiefs of Staff whereby restricted amounts may be sent from those places to relatives and friends in Sicily.
- (d) It is hoped that the Bank of Italy will soon be operating on a completely rational basis.
- (e) Studies are constantly being conducted concerning currency and revenue in liberated Italy. If the presses and plates in Rome have been destroyed it is probable that private printings of Italian currency will be made in the U.S.

246. Internal Transportation Sub-Commission. (Col. Fitch)

- (a) He outlined the difficulties that were encountered in securing sufficient transport from the armies, particularly rail transport. Now that some passenger trains are being run a permit system will have to be worked out which can be operated by the Italian Government.
- (b) Transport by ship has been impeded by the fact that most small ships which could be used for coastal work have been chartered by some branch of the Armed Forces.
- (c) On the matter of road transport the Chief Commissioner has been able to secure a promise for a thousand vehicles from the Commanding General in charge of the Italian theater; provided that some organization could be developed within the next two months to handle this transport so that formations of the Army would no longer be faced with requests for their transport from A.C.C. Two hundred of these vehicles are now available and the rest will be made available when the organization to handle them has been fully established. The operation of these lorries will be handled by a civilian organization created for the purpose and supervised by A.C.C.

The Chairman emphasized the necessity of forming this organization within the next two months so that at the end of this period he could tell General Alexander that he was ready to accept the lorries.

247. Shipping Sub-Commission (MEDEO). (Mr. Ian Campbell)

He said there was two classes of shipping, ocean going ships which had been taken over for military and naval uses, and coastal shipping. Efforts were being made to determine which schooners, if any, were available for coastal shipping, which goods had to be carried in them, and who was to operate them. MEDEO decides which ships ought to be used for essential coastal sea movements.

248. Political.

The Chairman then stated that the recent conference in Bari had indicated that these groups desired the King to abdicate, but beyond this they had no fixed program as to their future operation, or as to the form of Government which they desired to set up in Italy. There were a large number of political currents which were too complex for any brief description. The fact that the Government has not the full support of the people hampers A.C.C. because the Government is not confident enough of its position to press strongly for important action that should be taken. However, it is the job of A.C.C. to treat the existing Italian Government as an Administrative machine rather than as having any particular political complexion, and to work with it to produce as efficient a governmental organization as possible.

249. Regional Control and Military Government Section (Brig. Lush).

This Section deals directly with the field. An important branch of the Section is the one which handles refugees and prisoners of war, and other surplus people. There were two parts to this work :

(a) The amalgamated Prisoner of War and Displaced Persons Sub-Commissions, under Colonel Kirkwood. This group deals with the non-Italian Displaced Persons, including civilian internees, and has the responsibility of caring for them in camps while they are in Italy and then sending them abroad at appropriate times. It has been operating exclusively on the eastern side of the Peninsula, chiefly because there were so many Yugoslavs involved. Approximately 6,000 persons have already left the Peninsula as a result of the activities of this group.

(b) Lt. Col. Hulls deals with the Italian refugees displaced by the fighting. An Italian Committee has been set up to assist and work with the Sub-Commission. The duties of this group consist of collecting people in the forward areas and sending them to the rear areas where they are handed over to Italian officials. It is hoped that the provision of food and the caring for these persons can soon be handed over to the Italian authorities

Brig. Lush emphasised that these groups, both because of the public interest manifested in their operations and because of the suffering which they could avoid, should be given every sort of cooperation in the regions.

250. Telecommunications and Postal Sub-Commission. (Col. Henderson)

...they desired to set up in Italy. There were a large number of political currents which were too complex for any brief description. The fact that the Government has not the full support of the people hampers A.C.C. because the Government is not confident enough of its position to press strongly for important action that should be taken. However, it is the job of A.C.C. to treat the existing Italian Government as an Administrative machine rather than as having any particular political complexion, and to work with it to produce as efficient a governmental organization as possible.

249. Regional Control and Military Government Section. (Brig. Lush).

This Section deals directly with the field. An important branch of the Section is the one which handles refugees and prisoners of war, and other surplus people. There were two parts to this work:

- (a) The amalgamated Prisoner of War and Displaced Persons Sub-Commissions, under Colonel Kirkwood. This group deals with the non-Italian Displaced Persons, including civilian internees, and has the responsibility of caring for them in camps while they are in Italy and then sending them abroad at appropriate times. It has been operating exclusively on the eastern side of the Peninsula, chiefly because there were so many Yugoslavs involved. Approximately 6,000 persons have already left the Peninsula as a result of the activities of this group.

- (b) Lt. Col. Hulls deals with the Italian refugees displaced by the fighting. An Italian Committee has been set up to assist and work with the Sub-Commission. The duties of this group consist of collecting people in the forward areas and sending them to the rear areas where they are handed over to Italian officials. It is hoped that the provision of food and the caring for these persons can soon be handed over to the Italian authorities.

Brig. Lush emphasised that these groups, both because of the public interest manifested in their operations and because of the suffering which they could avoid, should be given every sort of cooperation in the regions.

250. Telecommunications and Postal Sub-Commission. (Col. Henderson)

- (a) It had been very slow work securing the release of circuits by the Army for civilian use, and securing the necessary stores for the rehabilitation of such circuits.
- (b) The Italian Government has been handicapped because, for military reasons, it has not been allowed to use the wireless. It is hoped that soon communications to Sicily and Sardinia can be sent by the Italian Government over Allied Military Circuits.

- (c) Civilian Postal Service has been started in Regions I and II, but not in Naples or abroad. The availability of the necessary censors is the limiting factor. It is hoped that foreign mails might start on a restricted basis by February 15.
 - (d) The maintenance of standard rates for such civilian telecommunication and postal services as did exist is most important.
251. The Chairman stated that the Navy Section was operating at Taranto, with a representative in this area, that the Air Section was operating at Bari, and that the Military Section was in Lecce where it would have to stay for the present because the Italian War Ministry was remaining there. As soon as the Comando Supremo moved to Salerno, Brig. Duchesne would accompany it. As soon as Rome fell the H.Q. of these three services on the Italian side would be set up there and the I.C.C. representatives would also be there, although the Naval and Air operations would possibly continue to be directed from the south.
252. The meeting adjourned at 1655 hours.

DISTRIBUTION:
 Chief Commissioner.
 Deputy Chief Commissioner.
 R.C.A.Os. of ALL Regions.
 S.C.A.O. 5th and 8th Armies.
 Chiefs of all Sub-Commissions.
 All Vice-Presidents.
 All Deputies to Vice-Presidents.
 Stares (25)
 Secretary (2)

Lewis H. Van Dusen Jr.
 LEWIS H. VAN DUSEN, Jr.
 Major, Ord.
 Secretary.

2503

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 394

25 January 1944

EXECUTIVE COUNCIL

There will be a meeting of the Executive Council on Friday, January 28, 1944.

It is requested that all items for the Agenda be handed to the Secretary before 1100 hrs. on Thursday, January 27, 1944 at Room 8-C.

Lewis H. Van Dusen Jr.
LEWIS H. VAN DUSEN, JR.
Major, Ord.
Secretary

DISTRIBUTION:

Deputy President
✓ D.C.C.A.O. (2)
Chief of Staff
Vice Pres. Econ. & Adm. Section
Deputy Vice Pres. Econ. & Adm. Section
Executive Officer
Economic Directorate
Administrative Directorate
Adjutant General
Chief Security Intelligence
Chief Communications Section
Public Relations Officer
Heads all Subcommissions
Secretary
AG File
Spare (10)

2502

CONFIDENTIAL

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 394

AMG/

22 January 1944

MINUTES

EXECUTIVE COUNCIL

22nd Meeting

21 January 1944

PRESENT

Lt. Gen. Sir F. N. Mason MacFarlane (Chairman) Deputy President A.C.C.
Colonel Charles M. Spofford D.C.C.A.O.
Brigadier E. Gueterbock Chief of Staff
Rt. Hon. the Viscount Stansgate Vice Pres. Econ & Adm. Sect.
Hon. H. Grady Deputy Vice Pres. Econ & Adm. Sec.
Brigadier G. S. Parkinson Director P. H. Subcommission
Colonel R. R. Rathbone Executive Officer
Colonel P. G. Kirk Director P. S. Subcommission
Colonel D. S. Adams Chief Staff Officer Econ. Dir.
Colonel A. E. Young Security and Intelligence
Colonel J. C. Todd Deputy Dir. Ind. & Com. Subcom.
Colonel Fitch Director Int. Transport. Subcom.
Colonel Upjohn Director Legal Subcommission
Lt. Col. R. B. Cripps C.S.O. Admin. Directorate
Lt. Col. E. M. Reiter Chief Industrial Planning Staff
Lt. Col. L. A. Jenny Director P.W. & Mines Subcom.
Lt. Col. J. R. Smith Director Labor Subcommission
Lt. Col. E. L. Clough Adjutant General
Lt. Col. R. H. Wilmer Deputy Dir. Legal Subcommission
Lt. Col. Carl Miller Deputy Dir. Finance Subcommission
Lt. Col. Gayre Director Education Subcommission
Lt. Col. C. R. Harris Director Prop. Control Subcom.
Lt. Col. Legg Director Food Subcommission
Lt. Col. Charles Poletti R.C.A.O. Region I
Major W. A. Hartman Director Agriculture Subcommission
Major Davis Rep. Telecommunications & Post Subcom.
Capt. Elliott Rep. Interior Subcommission
Capt. E. Talbot Acting Secretary

223. The meeting was called to order by the Chairman at 1500 hrs.

224. The Chairman said that as from 0001 hrs. 25th January 1944, ACC and AMG would become one organization under his administration from this Head-

21 January 1944

PRESENT

Lt. Gen. Sir F. N. Mason MacFarlane (Chairman) Deputy President A.C.C.
Colonel Charles K. Spofford D.C.C.A.O.
Brigadier E. Gueterbock Chief of Staff
Rt. Hon. the Viscount Stansgate Vice Pres. Econ & Adm. Sect.
Hon. H. Grady Deputy Vice Pres. Econ & Adm. Sec.
Brigadier G. S. Parkinson Director P. H. Subcommission
Colonel R. R. Rathbone Executive Officer
Colonel P. G. Kirk Director P. S. Subcommission
Colonel D. S. Adams Chief Staff Officer Econ. Dir.
Colonel A. E. Young Security and Intelligence
Colonel J. C. Todd Deputy Dir. Ind. & Com. Subcom.
Colonel Fitch Director Int. Transport. Subcom.
Colonel Upjohn Director Legal Subcommission
Lt. Col. R. R. Cripps C.S.O. Admin. Directorate
Lt. Col. E. M. Reiter Chief Industrial Planning Staff
Lt. Col. L. A. Jenny Director P.W. & Mines Subcom.
Lt. Col. J. R. Smith Director Labor Subcommission
Lt. Col. E. L. Clough Adjutant General
Lt. Col. R. H. Wilmer Deputy Dir. Legal Subcommission
Lt. Col. Carl Miller Deputy Dir. Finance Subcommission
Lt. Col. Gayre Director Education Subcommission
Lt. Col. C. R. Harris Director Prop. Control Subcom.
Lt. Col. Legg Director Food Subcommission
Lt. Col. Charles Poletti R.C.A.O. Region I
Major W. A. Hartman Director Agriculture Subcommission
Major Davis Rep. Telecommunications & Post Subcom.
Capt. Elliott Rep. Interior Subcommission
Capt. E. Talbot Acting Secretary

223. The meeting was called to order by the Chairman at 1500 hrs.

224. The Chairman said that as from 0001 hrs. 25th January 1944, ACC and AMG would become one organization under his administration from this Headquarters, which would be known as HQ. ACC. He said that AMG 5th and 8th Armies will continue to function, controlled operationally by the tactical Commanders, but administered technically by HQ. A.C.C.

The Chairman emphasized the importance of the work that had to be done. General Maitland Wilson has appointed General Alexander Acting President of A.C.C. and the main task of this Headquarters was to relieve General Alexander of the necessity of ever looking over his shoulder, so that he could concentrate on operations. All members of the organization must pull together and previous misunderstandings must be buried.

-2-

CONFIDENTIAL

785015

225. The Chairman referred to the abolition of C.E.C. whose functions would now be taken over by Mr. Grady's Section. The overriding question was feeding the population and the problem was divided as follows:

- (a) Reception of goods at ports
- (b) Distribution of goods to the consumers

Arrangements had been made for acquiring 1000 lorries and these would be organized into companies of 25 or 50 vehicles under Italian military units.

226. The Chairman said the restoration of Regions I and II to the Italian Government was again imminent. For the time being he would maintain the Regional organization and, after the turn over, would place the four lower provinces of Apulia under Region II. After the turn over officials in the Regions would have advisory instead of executive functions and Subcommissions must make contact with them so that they become tenacles of the Subcommissions.

227. Mr. Grady laid emphasis on the great importance of the food problem. The difficulties were many, among which were inadequate warehousing facilities, guarding of warehouses and the shortage of transport in spite of the 1000 lorries. He felt confident, however, that the problem can and will be tackled successfully.

228. The Chairman said it was his intention to make an organizational sign for A.C.C. which would appear on all A.C.C. vehicles, military and civilian, on armabands, warehouses, flags, etc. He considered this would raise morale and have the effect of emphasizing the importance of the work the organization had to perform.

229. The meeting was adjourned at 1545 hrs.

DISTRIBUTION

Deputy President
D.C.C.A.O. (2)
Chief of Staff
Vice Pres. Econ. & Adm. Section
Deputy Vice Pres. Econ. & Adm. Sect.
Executive Officer
Economic Directorate
Administrative Directorate
Adjutant General
Chief Security Intelligence
Chief Communications Section
Public Relations Officer
Heads all Subcommissions
Secretary
AG File
Spare (10)

T. Talbot
E. TALBOT
Captain
Acting Secretary

CONFIDENTIAL

HEADQUARTERS
ALLIED MILITARY GOVERNMENT

APO 394

AMG/

15 January 1944

MINUTES
EXECUTIVE COUNCIL
21st Meeting
14 January 1944

PRESENT

Col. Charles M. Spofford (Chairman)

Brigadier E. Gueterbock

Rt. Hon. the Viscount Stansgate

Mr. A. Grady

Brigadier G. S. Parkinson

Col. J. J. Albright

Col. R. R. Rathbone

Col. P. G. Kirk

Col. D. S. Adams

Col. J. M. Evans

Col. A. E. Young

Col. Fitch

Lt. Col. R. R. Cripps

Lt. Col. F. M. Reiter

Lt. Col. R. G. Spicer

Lt. Col. L. A. Jenny

Lt. Col. W. J. Bentlett

Lt. Col. J. R. Smith

Lt. Col. E. L. Clough

Lt. Col. R. H. Wilmer

Lt. Col. Carl Miller

Major W. A. Hartman

Major Theo. Sizer

Major R. W. Desmond

Capt. M. Hay

Capt. G. L. Cavanaugh

Capt. Kerker

Major L. H. Van Dusen

D.C.C.A.O.
Chief of Staff
Vice Pres. Eco. & Adm. Section
Deputy V.P. " "
Director P. H. Subcommission
Executive Officer
" "
Director P.S. Sub-Commission
Chief Staff Officer Eco. Dir.
Director, Ind. & Com. Subcom.
Security and Intelligence
Director, Internal Transp. Subcom.
Chief Staff Officer, Admin. Dir.
Chief, Ind. Planning Staff
Deputy Director, Interior Subcom.
" " Pub. Wks & Mining
Sub-Commission
Dep. Dir. Telecom. Sub-Commission
" " Labor Sub-Commission
Adjutant General
Dep. Director, Legal Sub-Commission
" " Finance Sub-Com.
Dir. Agri. For. & Fish Sub-Com.
" " Monuments, Fine Arts and
Archives Sub-Commission
P. R. O.
Staff Officer, Communication Section
Asst. to Dep. Director, Property
Control Sub-Commission.
Aide, V.P. Eco & Adm. Section
Secretary

208. The meeting was called to order by the Chairman at 1500 hrs.

209. D.C.C.A.O. reported that many of the major difficulties which had been holding up the transfer of territory to the Italian Government have now apparently

Col. Charles M. Spofford (Chairman)

Brigadier E. Gueterbock

Rt. Hon. the Viscount ~~Stansgate~~ Stansgate

Mr. A. Grady

Brigadier G. S. Parkinson

Col. J. J. Albright

Col. R. R. Rathbone

Col. P. G. Kirk

Col. D. S. Adams

Col. J. M. Evans

Col. A. E. Young

Col. Fitch

Lt. Col. R. R. Cripps

Lt. Col. F. M. Reiter

Lt. Col. R. G. Spicer

Lt. Col. L. A. Jenny

Lt. Col. W. J. Bentlett

Lt. Col. J. R. Smith

Lt. Col. E. L. Clough

Lt. Col. R. H. Wilmer

Lt. Col. Carl Miller

Major W. A. Hartman

Major Theo. Sizer

Major R. W. Desmond

Capt. M. Hay

Capt. G. L. Cavanaugh

Capt. Kerker

Major L. H. Van Dusen

208. The meeting was called to order by the Chairman at 1500 hrs.

209. D.C.C.A.O. reported that many of the major difficulties which had been holding up the transfer of territory to the Italian Government have now apparently been met. Higher Headquarters have approved the proposed terms of transfer. It was now a question of securing their acceptance by the Italian Government. While no exact estimate on time is possible, the transfer might occur in a month's time. In the meantime the military government would continue to be conducted with a view to providing a smooth transition from AMG to ACC when the transfer was made.

CONFIDENTIAL

CONFIDENTIAL

210. D.C.C.A.O. stated that an office memorandum would be issued shortly notifying all parties concerned that the Vice-President and Deputy Vice-President of the Economic and Administrative Section were on duty in Naples and that matters of policy in this field should be referred to them.
211. The Deputy Vice President of the Economic and Administrative Section, and the representative of this Headquarters on the Central Economic Committee, explained that it was essentially a coordinating and implementing Committee. He said that it had been decided that matters involving this Headquarters would be taken through channels and not directly to the Subcommittee involved. All important communications between this Headquarters and the Central Economic Committee should channel through him. D.C.C.A.O. stated that this Headquarters had promptly answered the call for personnel for the Central Economic Committee in virtually all cases but that from now on it would be of great assistance to this office if personnel were not requested by name but rather that requests specify the qualifications desired. The Vice-President and Deputy Vice-President concurred.
212. Copies of the reports to the Engineering Materials Committee were requested by the Deputy Vice President of the Economic and Administrative Section. The Chief of the Industrial Planning Staff stated that he could secure them in so far as they related to the rehabilitation of industry.
213. D.C.C.A.O. explained the AFHQ directive requiring monthly reports and emphasized the necessity of receiving the monthly reports from Subcommittees promptly. It was decided to circulate the weekly situation

and the representative of this Headquarters on the Central Economic Committee, explained that it was essentially a coordinating and implementing Committee. He said that it had been decided that matters involving this Headquarters would be taken through channels and not directly to the Subcommittee involved. All important communications between this Headquarters and the Central Economic Committee should channel through him. D.C.C.A.O. stated that this Headquarters had promptly answered the call for personnel for the Central Economic Committee in virtually all cases but that from now on it would be of great assistance to this office if personnel were not requested by name but rather that requests specify the qualifications desired. The Vice-President and Deputy Vice-President concurred.

212. Copies of the reports to the Engineering Materials Committee were requested by the Deputy Vice President of the Economic and Administrative Section. The Chief of the Industrial Planning Staff stated that he could secure them in so far as they related to the rehabilitation of industry.

213. D.C.C.A.O. explained the AFHQ directive requiring monthly reports and emphasized the necessity of receiving the monthly reports from Subcommittees promptly. It was decided to circulate the weekly situation reports to the various Subcommittees.

214. The acting Chief of the Monuments, Fine Arts and Archives Subcommittee reported on the work of the Commission of Enquiry, appointed to investigate the damage done to works of art and historical monuments in Italy.

215. The Vice President of the Economic Section stated that owing to the preparation of regular reports it would not be necessary for any special

CONFIDENTIAL

reports to be submitted by the Subcommissions to him in accordance with a recent request which he had made.

216. The Deputy Director of the Interior Subcommission asked which matters of policy could be brought up in the Executive Council more appropriately than directly through channels. The D.C.C.A.O. outlined the history of the Executive Council and stated that there was no answer to this question but that, if an important question of policy arose which members believed could profitably be discussed with the full council, such an item could appropriately be placed upon the agenda.

217. At the request of the Chief of the Public Works and Mining Subcommission, it was decided that the R.C.A.O., Region V should report to these Headquarters with a nominal roll of personnel as soon as he arrived in Italy, so that qualified personnel could be supplied to these Headquarters for special jobs from Region V.

218. The Director of the Public Works and Mining Subcommission requested that some program be worked out so that Italian officers who repeatedly came to see him at this office could more readily be furnished with passes in order to avoid delay. Col. Young was instructed to work out a system of permanent passes to cover any Italian governmental or other officials who were frequently authorized to visit the office.

219. The Chief of Staff stated that the American Regimental and British Headquarters could not come to Naples at this time because the building intended for them had been taken over as a typhus hospital. Efforts were being made to secure accommodations for these Headquarters further south.

220. The Chief of Staff stated that an archivist had arrived to keep an accurate record of the Allied Control Commission. He requested all Senior Officers to cooperate with him as much as possible.

appropriately be placed upon the agenda.

217. At the request of the Chief of the Public Works and Mining Subcommittee, it was decided that the R.C.A.O., Region V should report to these Headquarters with a nominal roll of personnel as soon as he arrived in Italy, so that qualified personnel could be supplied to these Headquarters for special jobs from Region V.

218. The Director of the Public Works and Mining Subcommittee requested that some program be worked out so that Italian officers who repeatedly came to see him at this office could more readily be furnished with passes in order to avoid delay. Col. Young was instructed to work out a system of permanent passes to cover any Italian governmental or other officials who were frequently authorized to visit the office.

219. The Chief of Staff stated that the American Regimental and British Headquarters could not come to Naples at this time because the building intended for them had been taken over as a typhus hospital. Efforts were being made to secure accommodations for these Headquarters further south.

220. The Chief of Staff stated that an Archivist had arrived to keep an accurate record of the Allied Control Commission. He requested all Senior Officers to cooperate with him as much as possible.

221. The Chief of Staff stated that the problem of servants and other equipage for small Officer's messes in the regions was under discussion. He hoped that a scheme would soon be worked out which would avoid undue expense and hardship.

222. Meeting adjourned at 1600 hours.

Lewis H. Van Dusen, Jr.
LEWIS H. VAN DUSEN, JR.
Major, Ord.
Secretary

-3-
CONFIDENTIAL

CONFIDENTIAL

Distribution:

Deputy Vice-President Economic & Admin. Section
Vice-President Economic & Admin. Section
D.C.C.A.O.
Acting Chief of Staff
Deputy Chief of Staff (Operations & Security Intelligence)
Executive Officers
Economic Director
Administrative Director
Adjutant General
Chief of Security Intelligence
Chief of Communications Section
Public Relations Officer
Chief of Each Sub-Commission.

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

S E C R E T

AGENDA

21st Meeting

EXECUTIVE COUNCIL

The following items are included on the Agenda of the twenty-first meeting of the Executive Council to be held on Friday, January 11, 1944 at 1500 hrs. in the Conference Room: 21

1. Report on the present status of the proposed transfer of territory to the Italian Government. (D.C.C.A.O.)
2. The organization of the Economic and Administrative Section. (D.C.C.A.O.)
3. The relationship between these Headquarters and Central Economic Committee. (D.C.C.A.O.)
4. The relationship between the Local Resources (Italian) Board and the Engineering Materials Committee, and these Headquarters. (Mr. Grady)
5. The preparation and submission of SITREP and monthly reports. (D.C.C.A.O.)
6. The report of the Commission of Enquiry on damage to historic monuments by Allied Troops. (Major Sizer)

13 January 1944

Lewis H. Van Dusen, Jr.
LEWIS H. VAN DUSEN, JR.
Major, Ord.
Secretary

2498

507 409

No clue

P.H.
P.S.
for
ag

HEADQUARTERS
ALLIED CONTROL COMMISSION
AFG 394

10 January 1944

MEMORANDUM

TO : Heads of All Subcommissions

1. It would be a great help to me if you would kindly prepare by Wednesday night, if possible, a short statement of (a) the work in hand by your Subcommission, (b) work undertaken for outside Bodies, eg. Central Economic Committee, (c) number of your staff in relation to your needs, and (d) any existing or projected contacts with the Italian Government Ministries or officials. I do not need more than the briefest general note.

2. At the meeting of the Executive Council on Friday we might then discuss any general points which arise on the memoranda supplied.

John H. Lee
me
LORD STANSFORD
Air Commodore
Vice Pres. Economic & Admin. Section

DISTRIBUTION:

All Subcommissions
Econ. Directorate
Admin. "
D.C.C.A.O.
File

2497

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 512

LVD/AMB/mrd
10 January 1944

Ref/AMG/409.

SUBJECT: Executive Council Meeting

TO : All Members of the Executive Council

1. The meeting of the Executive Council scheduled for ~~Thursday~~ ^{TUESDAY}, January eleventh is postponed until Friday, January fourteenth at 1500 hrs. in the Conference Room.

Lewis H. Van Dusen Jr.
LEWIS H. VAN DUSEN, JR.
MAJOR, ORD.
SECRETARY

For Circulation To:

D.C.C.A.O.
Acting Chief of Staff
Deputy Chief of Staff (O. & S. I.)
Executive Officers
Economic Director
Administrative Director
Adjutant General
Chief of Security Intelligence
Chief of Communications Section
Public Relations Officer
Chief of each Subcommittee

Finance. La.
Pub. Safety RSK
Interior RSK
Pub. Health RSK
Int. Aff. Staff RSK
Legal RSK
Agriculture RSK
Telecomm. RSK
Ind. Commerce RSK
Labor RSK
Pub. Works RSK
MFA + A. Sub.
Prop. to C. M.

Mining - RSK
Admin. Div. RSK

2496

(36)

00 00

Headquarters
ALLIED MILITARY GOVERNMENT
APO 512

4 January 1944

MEMORANDUM

TO : All members of Executive Council

1. The Executive Council will include the following:

D.C.C.A.O.
Acting Chief of Staff
Deputy Chief of Staff (Operations & Security Intelligence)
Executive Officers
Economic Director
Administrative Director
Adjutant General
Chief of Security Intelligence
Chief of Communications Section
Public Relations Officer
Chief of each Sub-Commission

- ? Tuesday 2. Unless notified to the contrary there will be a meeting of the Executive Council each Friday at 1500 hours in the Conference Room. All members will attend. First meeting Friday, 14 January 1944.

? Tuesday 10th Jan

If any member is unable to attend any meeting he will send a representative.

3. Any item which is desired to have placed on the agenda of any meeting will be in the hands of the Secretary by 1100 hours on the Thursday before the meeting. Secretary: Major L. B. Van Dusen Jr., Room 9.

L. B. Stearns
Capt., AGO
Asst Adj Gen.

2495

P.A.

Deputy Chief of Staff
O. S. Intell.

104

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 512

23 November 1943.

MEMORANDUM

TO : All Members of Executive Council

1. The Executive Council will include the following:

D.C.C.A.O.
Chief of Staff
Deputy Chief of Staff (Operations & Security Intelligence)
Executive Officer
Economic Director
Administrative Director
Adjutant General
Chief of Security Intelligence
Chief of Communications Section
Public Relations Officer
Chief of Each Sub-commission

2. Unless notified to the contrary there will be a meeting of the Executive Council each Friday at 1500 hours in the Conference Room. All members will attend.

If any member is unable to attend any meeting he will send a representative.

3. Any item which it is desired to have placed on the Agenda of any meeting will be in the hands of the Secretary by 1100 hours on the Thursday before the meeting.

LEWIS H. VAN DUSEN, JR.,
Capt., Ord.,
Secretary.

2494

CONFIDENTIAL

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APO 512

19 November 1943.

The 20th Meeting of the
Executive Council
19 November 1943

Present

Brigadier E. Gueterbock (Chairman) - Chief of Staff
Brigadier R.A. Harlyn - Acting Economic Director
Brigadier G.S. Parkinson - Director of Public Health
Colonel P.G. Kirk - Chief of Public Safety
Colonel C.M. Spofford - Deputy Chief of Staff
Colonel R.R. Rathbone - Executive Officer
Colonel G.R. Upjohn - Deputy Chief of Legal Division
Colonel Young - Intelligence Officer
Lt. Colonel Lindbergh - Deputy Director of Internal Transport.
Lt. Colonel L.D. Donamore - Acting Director Communications
Lt. Colonel R.R. Cripps - Acting Administration Director
Lt. Colonel E.L. Clough - Acting Adjutant General
Lt. Colonel C.R. Harris - Director of Property Control
Lt. Colonel G.R. Sayre - Acting Director of Education
Major P.K. Baillie-Reynolds - Deputy Director of Fine Arts
Major Knauer - Deputy Dir. of Telecommunications
Major M.A. Dickie - Deputy Director of Agriculture
Lt. Colonel Carter - Acting Director of Fuel Sub-Commission
Captain Charles Poore - Public Relations Officer
Lt. Irving - Lynch - Deputy Director of Shipping
Captain L.H. Van Dusen - Secretary

197. The meeting was called to order by the Chairman at 1500 hours.

198. The minutes of the last meeting were read and approved.

199. The Deputy Chief of Staff (Operations and Intelligence) explained that he had a proposed directive (Exhibit A attached to original minutes) outlining generally the relations between these Headquarters (AMG) and the various Regional Headquarters. These drafts were distributed after the meeting. Each member was requested to read the draft, to make any corrections necessary from the standpoint of his activities, and to prepare a list of specific points, if any, upon which action by R.O.A.S. was to be limited and a field of activity within his jurisdiction which was to be handled exclusively by Headquarters in accordance with paragraph 1(b) of the Proposed Directive. The Deputy Chief of Staff (Operations and Intelligence) then stated that a similar proposed directive would be prepared and distributed shortly covering the relationship between Headquarters A.C.C. and any Regional organization.

785015

Brigadier G.S. Parkinson
 Colonel P.C. Kirk
 Colonel C.M. Spafford
 Colonel R.R. Rathbone
 Colonel G.R. Upjohn
 Colonel Young
 Lt. Colonel Lindbergh
 Lt. Colonel L.D. Densmore
 Lt. Colonel R.R. Cripps
 Lt. Colonel E.L. Clough
 Lt. Colonel C.R. Harris
 Lt. Colonel G.R. Gayre
 Major P.K. Bailie-Reynolds
 Major Knauer
 Major M.A.M. Dickie
 Lt. Colonel Carter
 Captain Charles Poore
 Lt. Irving - Lynch
 Captain L.H. Van Dusen
 - Director of Public Health
 - Chief of Public Safety
 - Deputy Chief of Staff
 - Executive Officer
 - Deputy Chief of Legal Division
 - Intelligence Officer
 - Deputy Director of Internal Transport
 - Acting Director Communications
 - Acting Administration Director
 - Acting Adjutant General
 - Director of Property Control
 - Acting Director of Education
 - Deputy Director of Fine Arts
 - Deputy Dir. of Telecommunications
 - Deputy Director of Agriculture
 - Acting Director of Fuel Sub-Commission
 - Public Relations Officer
 - Deputy Director of Shipping
 - Secretary

197. The meeting was called to order by the Chairman at 1500 hours.

198. The minutes of the last meeting were read and approved.

199. The Deputy Chief of Staff (Operations and Intelligence) explained that he had a proposed directive (Exhibit A attached to original minutes) outlining generally the relations between these Headquarters (HQ) and the various Regional Headquarters. These drafts were distributed after the meeting. Each member was requested to read the draft, to make any corrections necessary from the stand-point of his activities, and to prepare a list of specific points, if any, upon which action by R.C.A.O.s was to be limited and a field of activity within his jurisdiction which was to be handled exclusively by Headquarters in accordance with paragraph 1(b) of the Proposed Directive. The Deputy Chief of Staff (Operations and Intelligence) then stated that a similar proposed directive would be prepared and distributed shortly covering the relationship between Headquarters A.C.O. and any Regional organizations which might exist under A.C.O. conditions. This proposal would also be accompanied by limitations upon the powers of Regional Headquarters in specific fields when it was in final form.

200. The Chairman stated that the assignments of officers requested in Item 195 should be submitted by each Sub-Commission to the Acting Chief of Staff personally. (Action all members)

201. The Chairman stated that the directive called for in Item 194 (c) could be submitted at a later date which would be specified.

204.

The Chairman advised the meeting that General Patton had held a meeting to inform himself about the existing unrest in Sicily arising out of the food shortage. As a result of the conference General Patton had agreed to cable AFHQ requesting 10,000 tons of flour at once. These Headquarters had sent a similar cable.

205.

The Chairman then explained that the Directors of some Sub-Commissions had gone to Naples to attend certain conferences called by the advanced location of AFHQ now located there. These conferences were of Local Resources Boards which were to ascertain the quantity of the resources available and then to apportion them among the various groups interested. AFHQ is responsible for supplying the necessary information on the resources available. All groups, including the Army, were responsible for making their requirements known. These representatives would return to these Headquarters when the conferences were completed.

206.

AFHQ advanced Echelon in Naples had requested these Headquarters to supply a number of officers for specific work in that area. This request is being cleared through the C.C.A.O. If he agrees, the officers will be sent to Naples on detached service. They will rejoin these Headquarters when it moves to that area.

207.

The meeting adjourned at 1555 hours.

DISTRIBUTION:

Brig. E. G. Guterbock - Vice Chief of Staff
 Brig. R. H. Haldyn - Actg. Economic Director
 Brig. G. S. Parkinson - Director of Public Health
 Col. C. M. Spofford - Deputy C. of S.
 Col. P. G. Kirk - Chief of Public Safety
 Col. Young - Security Intelligence
 Col. M. Evans - Actg. Dir. of Ind. & Com.
 Col. J. R. Bain - Actg. Director of Labor
 Col. Foley - Actg. Finance Director
 Col. J. J. Albright - Actg. Exec. O., Admin.
 Lt. Col. L. A. Jemmy - Actg. Dir. of P.M. & Util.
 Lt. Col. L. D. Densmore - Actg. Chief of Com.
 Lt. Col. R. R. Cripps - Actg. Admin. Director
 Lt. Col. C. E. Harris - Actg. Dir. of Prop. Control
 Lt. Col. R. G. B. Spicer - Dep. Dir. of Interior
 Lt. Col. G. R. Gayre - Actg. Dir. of Education
 Lt. Col. G. Carter - Actg. Chief Fuel Officer
 Maj. M. A. Hartman - Actg. Dir. of Agriculture
 Maj. P. K. Baillie-Reynolds - Dep. Dir. of F. Arts
 Capt. C. Poore - Public Relations Officer
 Capt. L. H. VanDusen - Secretary - Staff O. Econ.

Col. Upjohn - Dep. Chief of Legal
 Lt. Col. G. Polotti, RMAO, Region I
 Major Hickingbotham - Dir. Shipping
 and Ship-building
 Colonel Lindberg
 Colonel Bentlett
 Major S. H. Head, Dir. of Post. Servs.
 Col. D. S. Adams - Actg. Econ. Director
 Lt. Col. B. L. Clough - Actg. Adj. Gen.
 Col. R. B. Rathbone - Executive O. Admin.
 Major Desmond - Information

CONFIDENTIAL

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
APG 512

19 November 1943

The 19th Meeting of the
Executive Council
17 November 1943

Present:

Brigadier E. Gueterbeck	(Chairman)	Vice Chief of Staff
Brigadier R. A. Hanlyn	-	Acting Economic Director
Brigadier G. S. Parkinson	-	Director of Public Health
Colonel R. G. Kirk	-	Chief of Public Safety
Colonel W. Evans	-	Deputy Director of Ind. & Comm.
Colonel J. R. Bain	-	Acting Director of Labor
Colonel Foley	-	Acting Finance Director
Colonel J. J. Albright	-	Acting Executive Officer
Colonel D. S. Adams	-	Economic Director
Colonel C. M. Spofford	-	Deputy Chief of Staff
Colonel D. Murphy	-	Director of Industry and Commerce
Colonel R. E. Rathbone	-	Executive Officer
Colonel C. R. Upjohn	-	Deputy Chief of Legal Division
Lt. Col. W. C. Chandler	-	Chief Legal Officer
Lt. Col. F. H. McFarland	-	Acting Director Displaced Persons
Lt. Col. L. D. Denamore	-	Acting Director Communications
Lt. Col. R. E. Cripps	-	Acting Administration Director
Lt. Col. E. L. Clough	-	Acting Adjutant General
Lt. Col. C. E. Harris	-	Director of Property Control
Lt. Col. G. R. Gayre	-	Acting Director of Education
Lt. Col. L. A. Jenny	-	Acting Director of Public Works
Lt. Col. Harmer	-	Deputy Director Displaced Persons
Major W. A. Hartman	-	Acting Director of Agriculture
Major P. K. Baillie-Reynolds	-	Deputy Director of Fine Arts
Major R. W. Desmond	-	Acting Chief of Information
Captain Charles Poore	-	Public Relations Officer
Captain L. H. Van Dusen	-	Secretary

189. The meeting was called to order by the Chairman at 1500 hours.

190. The minutes of the last meeting were read and approved.

191. The Chairman stated that action had been taken by D.C.C.A.O. on items 183 and 184. The order authorizing a wage increase for public servants has been signed by D.C.C.A.O.

001 - meeting report

2492

001 - meeting report

2492

Brigadier E. Gueterbock (Chairman)	Vice Chief of Staff
Brigadier R. A. Harlyn	Acting Economic Director
Brigadier G. S. Parkinson	Director of Public Health
Colonel P. C. Kirk	Chief of Public Safety
Colonel W. Evans	Deputy Director of Ind. & Com.
Colonel J. R. Bain	Acting Director of Labor
Colonel Foley	Acting Finance Director
Colonel J. J. Albright	Acting Executive Officer
Colonel D. S. Adams	Economic Director
Colonel C. M. Spofford	Deputy Chief of Staff
Colonel D. Murphy	Director of Industry and Commerce
Colonel R. R. Rathbone	Executive Officer
Colonel G. R. Upjohn	Deputy Chief of Legal Division
Lt. Col. W. C. Chandler	Chief Legal Officer
Lt. Col. F. H. McFarland	Acting Director Displaced Persons
Lt. Col. L. D. Denamore	Acting Director Communications
Lt. Col. R. R. Cripps	Acting Administration Director
Lt. Col. M. L. Clough	Acting Adjutant General
Lt. Col. C. R. Harri	Director of Property Control
Lt. Col. C. R. Gayre	Acting Director of Education
Lt. Col. L. A. Jenny	Acting Director of Public Works
Lt. Col. Hammer	Deputy Director Displaced Persons
Major W. A. Hartman	Acting Director of Agriculture
Major P. K. Baillie-Reynolds	Deputy Director of Fin. Arts
Major R. W. Desmond	Acting Chief of Information
Captain Charles Poore	Public Relations Officer
Captain L. N. Van Dusen	Secretary

189. The meeting was called to order by the Chairman at 1500 hours.
190. The minutes of the last meeting were read and approved.
191. The Chairman stated that action had been taken by D.C.C.A.O. on items 185 and 184. The order authorizing a wage increase for public servants has been signed by D.C.C.A.O.

192. The Chairman stated that all orders should be "By Order of Brigadier General McSherry," and that all communications should make it clear that this was Headquarters AAG and not Headquarters ACC. The officers now stationed at Brindisi constitute Headquarters A.C.C. These Headquarters would become A.C.C. at a future date when more territory was handed over to the Italian Government. At present these Headquarters could plan what they would do under these conditions.

193. The Chairman said that shortly a group of officers from MGS, A.F.H.Q. would come to work out the personnel situation as between HQ, AAG, and 15th Army Group, and ACC at Brindisi. It would be proposed that certain ACC records would be kept here as if ACC, Brindisi, were a detachment of those Headquarters, which was the case. This arrangement was merely one of convenience.

CONFIDENTIAL

CONFIDENTIAL

194. The urgent requirement (Sub-heading C of Item 174) as regards directives is that under A/C conditions limiting the powers of regions or reserving certain powers to HQ, A/C. Statements on these points by Sub-Commissions are to reach Acting Chief of Staff not later than evening 18 November. Additional requirements from Sub-Commissions are as follows, and are to reach the Chief of Staff not later than Wednesday 24th November.

- (a) (Subheading A. c" Item 174) Directives for Sub-Commissions under A.C.C. conditions; these are to be written by Sub-Commissions for the governance of their own activities.
- (b) (Subheading B of Item 174) Technical instructions by Sub-Commissions governing the duties, powers and limitations of action of technical officers in regions, provinces, etc. under A.C.C. conditions. These instructions will be edited by Deputy Chief of Staff (Operations and Intelligence) with a view to their becoming appendices to a draft order which he is to write. This draft order will explain in general terms to Senior A.C.C. officers at Regional HQs their duties and powers under A.C.C. conditions.
- (c) (Subheading D of Item 174) Notes to form the basis of a letter to the 15 Army Group, requesting them to conform to A.C.C. policy as far as the tactical situation permits.

In this connection Colonel Albright stated that the abstracts referred to in Item 185 were ready. He explained that they were not extracts but abstracts and that no language taken from the abstracts was to be quoted in the directive or elsewhere without first consulting the Legal Sub-Commission. He explained that even the abstracts contained secret information.

195. The Chairman then directed all Sub-Commissions and Chief Staff Officers to submit to General McSherry by November 18th a proposed list of assignments of their officers. This list should include all officers at or on detached service from these Headquarters. If a surplus existed it should be so stated. If more personnel were required to carry on Military Government in these Headquarters they should be requested. The officers assigned to ACC in Prindisi should not be included. The Chairman stated that these proposed assignments could be prepared without reference to any T/O or W/E.

196. The meeting adjourned at 1615 hours.

DISTRIBUTION: -

Brig. E. Guenterbock - Vice Chief of Staff
 Brig. R.A. Hamlyn - Actg. Economic Director
 Brig. G.S. Parkinson - Director of Public Health
 Colonel P. G. Kirk - Chief of Public Safety
 Colonel Young - Security Intelligence
 Colonel W. Evans - Actg. Director of Ind. &

Lewis H. Leontowich
LEWIS H. VAN DUSEN, JR.,
Captain, Ord.
Secretary

which he is to write. This draft order will explain in general terms to Senior AG officers at Regional Hqs their duties and powers under ACC conditions.

- (c) (Subheading D of its 74) Notes to form the basis of a letter to the 15 Army Group, requesting them to conform to ACC policy as far as the tactical situation permits.

In this connection Colonel Albright stated that the abstracts referred to in item 155 were ready. He explained that they were not extracts but abstracts and that no language taken from the abstracts was to be quoted in the directive or elsewhere without first consulting the Legal Sub-Commission. He explained that even the abstracts contained secret information.

195. The Chairman then directed all Sub-Commissions and Chief Staff Officers to submit to General McSherry by November 18th a proposed list of assignments of their officers. This list should include all officers at or on detached service from these Headquarters. If a surplus existed it should be so stated. If more personnel were required to carry on Military Government in these Headquarters they should be requested. The officers assigned to AG in Prindisi should not be included. The Chairman stated that these proposed assignments could be prepared without reference to any T/O or U/E.

196. The meeting adjourned at 1615 hours.

DISTRIBUTION:-

- Brig. E. Cueterbock - Vice Chief of Staff
- Brig. R.A. Hamlyn - Actg. Economic Director
- Brig. G.S. Parkinson - Director of Public Health
- Colonel P. G. Kirk - Chief of Public Safety
- Colonel Young - Security Intelligence
- Colonel W. Evans - Actg. Director of Ind. & Comm.
- Colonel J. B. Bain - Actg. Director of Labour
- Colonel Foley - Actg. Finance Director
- Colonel J. J. Albright - Actg. Executive Officer, Admin.
- Lt. Col. I.A. Jerny - Actg. Director of P.W. & Util.
- Lt. Col. J.D. Denmore - Actg. Chief of Communications
- Lt. Col. R.R. Oripys - Actg. Admin. Director
- Lt. Col. Harris, C.F. - Actg. Director of Interior
- Lt. Col. R.G. Bishop - Deputy Director of Education
- Lt. Col. G.R. Geyn - Actg. Director of Education
- Lt. Col. C. Carter - Actg. Chief Fuel Officer
- Major W.A. Hartman - Actg. Director of Agriculture
- Major P.W. Baillie-Ross - Deputy Director of Fine Arts
- Capt. Charles Poore - Public Relations Officer
- Capt. L.H. VanDusen - Secretary - Staff G. Econ.
- Col. D.S. Adams - Actg. Econ. Director
- Lt. Col. I.I. Gough - Actg. Adj. Gen.
- Col. R.J. Hasbanc - Executive Officer Admin.
- Major Leonard - Information

Lewis H. Van Dusen, Jr.
 LEWIS H. VAN DUSEN, JR.,
 Captain, Ord.
 Secretary

Col. Upjohn,
 Deputy Chief of Legal
 Lt. Col. Charles Polotchi,
 SCAG, Region 1
 Maj. Hickingbotham
 Dir. Shipping and
 Ship building
 Colonel Lindberg
 Colonel Bentlett
 Major S.H. Head, Director
 of Postal Services

CONFIDENTIAL

HEADQUARTERS
ALLIED MILITARY GOVERNMENT

11 November 1943

The 13th Meeting of the
Executive Council
10 November 1943

Present

Brigadier E. Gaeremboeck (Chairman) Vice Chief of Staff
 Brigadier R. A. Hamlyn - Acting Economic Director
 Brigadier G. S. Parkinson - Director of Public Health
 Colonel P. G. Kirk - Chief of Public Safety
 Colonel W. Evans - Acting Director of Ind. & Comm.
 Colonel J. R. Bain - Acting Director of Labor
 Colonel Foley - Acting Finance Director
 Colonel J. J. Albright - Acting Executive Officer
 Colonel D. S. Adams - Economic Director
 Lt Col W. C. Charlier - Chief Legal Officer
 Lt Col F. H. McFarland - Acting Director Displaced Persons
 Lt Col L. D. Donahore - Acting Director Communications
 Lt Col R. B. Grippes - Acting Administration Director
 Lt Col E. L. Clough - Acting Chief of Secretariat
 Lt Col C. R. Morris - Director of Property Control
 Lt Col R. G. B. Spicer - Deputy Director of Interior
 Lt Col G. R. Gayre - Acting Director of Education
 Lt Col C. Carter - Acting Chief Fuel Officer
 Lt Col J. R. Smith - Acting Deputy Director of Labor
 Lt Col Bontet - Acting Chief of Telecommunications
 Sub-Commission
 Major W. A. Hartman - Acting Director of Agriculture
 Major P. K. Bailey-Reynolds - Deputy Director of Fine Arts
 Major A. S. Brereton - Acting Deputy Chief Fuel Officer
 Major S. H. Head - Acting Chief of Postal Services
 Major R. M. Desmond - Acting Chief of Information
 Capt Charles Poore - Public Relations Officer
 Capt L. H. Van Dusen - Secretary

- 177 The meeting was called to order by the Chairman at 1500 hours. • 2491
- 178 The minutes of the last meeting were read and approved.
- 179 The Chairman stated that the meeting was of the Executive Council of AMG and not of ACC as the directive setting up ACC as an operating unit had not yet arrived.

785015

Brigadier E. Gueterbock (Chairman, Vice Chair)
 Brigadier R. A. Hanly
 Brigadier G. S. Parkinson
 Colonel P. G. Kirk
 Colonel W. Evans
 Colonel J. R. Bain
 Colonel Foley
 Colonel J. J. Albright
 Colonel D. S. Adams
 Lt Col W. C. Chandler
 Lt Col F. H. McFarland
 Lt Col L. D. Donsmore
 Lt Col R. R. Cripps
 Lt Col E. L. Clough
 Lt Col C. R. Harris
 Lt Col R. G. B. Spicer
 Lt Col G. R. Gayro
 Lt Col C. Carter
 Lt Col J. R. Smith
 Lt Col Bentlet
 Major W. A. Hartman
 Major P. K. Bailey-Reynolds
 Major A. S. Breerton
 Major S. H. Head
 Major R. W. Desmond
 Capt Charles Poore
 Capt L. R. Van Dusen
 - Acting Economic Director
 - Director of Public Health
 - Chief of Public Safety
 - Acting Director of Ind. & Comm.
 - Acting Director of Labor
 - Acting Finance Director
 - Acting Executive Officer
 - Economic Director
 - Chief Legal Officer
 - Acting Director Displaced Persons
 - Acting Director Communications
 - Acting Administration Director
 - Acting Chief of Secretariat
 - Director of Property Control
 - Deputy Director of Interior
 - Acting Director of Education
 - Acting Chief Fuel Officer
 - Acting Deputy Director of Labor
 - Acting Chief of Telecommunications
 - Sub-Commission
 - Acting Director of Agriculture
 - Deputy Director of Fine Arts
 - Acting Deputy Chief Fuel Officer
 - Acting Chief of Postal Services
 - Acting Chief of Information
 - Public Relations Officer
 - Secretary

2491

177 The meeting was called to order by the Chairman at 1500 hours.

178 The minutes of the last meeting were read and approved.

179 The Chairman stated that the meeting was of the Executive Council of
 AMG and not of .CC as the directive setting up .CC as an operating unit
 had not yet arrived.

180 The Chairman stated that at a recent staff conference it was decided to
 form a committee on the Black Market similar to the Committee on Food.

181 Lt Col Clough reported that in the near future he would have collected for
 the DCCMO all the reports on AMGOT operations which had been requested.
 He hoped this would be prior to the return of DCCMO to Palermo.

182 The Chairman promised that the basic directive on the functions of .CC
 would be circulated shortly, although no order formally putting .CC into
 operation had yet been received.

CONFIDENTIAL

785015

CONFIDENTIAL

- 2 -

183

Request for more flour. Brigadier Hamlyn stated that he had drafted a cable which he suggested be sent to Washington through AFHQ pointing out the absolute necessity of securing a substantial tonnage of wheat in the next four months in order to feed the occupied portions of Italy and Sicily. A copy of this draft cable is attached to the original minutes.

The draft was discussed in some detail.

Col. Foley pointed out that the facts had been secured from the various Sub-Commissions. Lt Col Chandler objected to the assertion that the currency in circulation had increased by 3 or 4 hundred million lire since July 1943, (the total amount pumped into circulation by NGOT) as misleading. He thought large sums had been destroyed, removed to the mainland or otherwise withdrawn from circulation immediately prior to the occupation. As a result of the discussion which followed, Chief of Staff directed that the following words be placed in front of the fourth paragraph of the cable: "Recent rapid increase in currency situation illustrated by....." He also directed that the word "billion" be replaced by the appropriate number of "millions" so that there could be no misunderstanding of the number intended.

Lt. Col. Chandler suggested that a statement be included in the cable indicating the quantity of wheat requested and the quantity received to date. It was agreed that this change should be made. Col. Evans explained that at present there was only 3 or 4 weeks supply of wheat on the island at the existing ration of 200 grams. 50,000 tons per mo. were needed to feed the island. However, it was estimated that 25% of the people were producers, or the families of producers, entitled to retain grain for their own use. Therefore, there would be approximately 3,000,000 persons to feed which would require roughly 20,000 tons per month on the basis of the best estimates available. It was a compromise figure. As altered, the prompt dispatch of the draft cable for approval by the DCCO and Gen. Joyon was recommended by the Council.

184.

Proposed increase in wages and rations for C.C.R.R.

Col. Adams, as chairman of the Food Committee reported that his committee recommended the C.C.R.R. should at once receive both rations at the scale now being given to members of the Italian army and also the wage increase recommended for them by the Labor Sub-Commission at a previous meeting. Col. Kirk, who was a member of the committee, emphasized the following points:

1. It was agreed by all that the 9196 C.C.R.R. in Sicily were grossly underfed and underpaid.
2. They were the agency designated by the Combined Chiefs of Staff to maintain law and order on the island.
3. They were the most reliable element among the various domestic police forces and yet in many cases they received less pay than the auxiliary police.
4. The Combined Chiefs of Staff had decided that there would be no Allied Military police available to maintain order among civilians in Sicily,

thought large sums had been destroyed, removed to the mainland or otherwise withdrawn from circulation immediately prior to the occupation. As a result of the discussion which followed, Chief of Staff directed that the following words be placed in front of the fourth paragraph of the cable: "Recent rapid increase in currency situation illustrated by.....". He also directed that the word "billion" be replaced by the appropriate number of "millions" so that there could be no misunderstanding of the number intended.

Lt. Col. Chanler suggested that a statement be included in the cable indicating the quantity of wheat requested and the quantity received to date. It was agreed that this change should be made. Col. Evans explained that at present there was only 3 or 4 weeks supply of wheat on the island at the existing ration of 200 grams. 30,000 tons per mo. were needed to feed the island. However, it was estimated that 25% of the people were producers, or the families of producers, entitled to retain grain for their own use. Therefore, there would be approximately 3,000,000 persons to feed which would require roughly 20,000 tons per month on the basis of the best estimates available. It was a compromise figure. As altered, the prompt dispatch of the draft cable for approval by the DCCO and Gen. Joyce was recommended by the Council.

164.

Proposed increase in wages and rations for C.C.R.R.

Col. Adams, as chairman of the Food Committee reported that his committee recommended the C.C.R.R. should at once receive both rations at the scale now being given to members of the Italian Army and also the wage increase recommended for them by the Labor Sub-Commission at a previous meeting. Col. Kirk, who was a member of the committee, emphasized the following points:

1. It was agreed by all that the 9196 C.C.R.R. in Sicily were grossly underfed and underpaid.
2. They were the agency designated by the Combined Chiefs of Staff to maintain law and order on the island.
3. They were the most reliable element among the various domestic police forces and yet in many cases they received less pay than the auxiliary police.
4. The Combined Chiefs of Staff had decided that there would be no Allied Military police available to maintain order among civilians in Sicily, or Italy.
5. The morale of the C.C.R.R. was low. There had recently been 40 cases of desertion in Palermo. Twenty-five of the offenders had been caught and would be dealt with in accordance with the usual rules applicable to such offenses.
6. The C.C.R.R. were a part of the Italian Army and were entitled to the same rations as other Italian soldiers. Col. Chanler substantiated the validity of this assertion.

Col. Kirk stated that for the foregoing reasons it was imperative that both the rations and wages of the C.C.R.R. be increased at once. Col. Bain and Lt. Col. Smith agreed that many public servants required wage increases, according to the formula previously submitted, in order to freeze wages at a place comparable to the place where prices had been fixed. However, they strongly opposed granting any group of public servants an increase and postponing action on an increase for the rest. They stated that all

CONFIDENTIAL

- 5 -

Italian Servants were equally essential to the operation of the Allied Military Government. They showed that some strikes had been called and others threatened. Each time a serious situation was averted by promises of action about to be taken on the proposed wage increases.

Brigadier Hanlyn stated that the crux of the difficult situation was food. If sufficient quantities of food could be brought in there would be some chance of controlling the Black Market and averting industrial and other disturbances. He did not oppose the increase in rations but he did oppose any general increase in wages to any or all groups at this time. He thought that the results produced by the proposed cable should be awaited before further action on wages was taken.

Col. Foley stated that a wage increase at the present time would render the task of securing authority from Washington for additional grain infinitely more difficult. Furthermore, if a wage increase was granted, it would have to be accompanied by a certain control of the black market or an inflation of considerable magnitude would result.

Col. Evans emphasized that, although food was the most important element in the situation, still the flour requested would only yield the present ration of 200 grams per day and would not raise the present standard of living. Either more flour or a wage increase to government employees was necessary to accomplish this result. He also pointed out that, to increase the ration of C.C.R.R. to 400 grams daily, would only take 18 tons of flour per day. This amounted to one day's supply in a month and was therefore, negligible.

The Council was then polled and agreed to recommend to D.C.C....O. that the ration of the C.C.R.R. be placed upon a par with that of the other Italian soldiers which was at present 400 grams per day. Lt. Col. Chandler was directed to prepare the necessary order raising the ration so that it would be available in the event that D.C.C....O. decided to adopt the recommendation of the Committee.

Several members then expressed the opinion that an increase in wages to the public employees in the various fields in which they operated was imperative. Colonel Donmore pointed out that many employees had received a month's wages in advance which they had spent. This borrowing against the future had augmented the necessity for an increase.

The Labor Sub-Commission again emphasized the belief that, while a wage increase in accordance with the proposed formula was needed now, under no circumstances should any discrimination be shown by giving an increase to the C.C.R.R. or any other group without including the rest.

Colonel Foley stated that now was the time to hold the line pending action on the request for flour. If an increase was granted in wages, the former scale could never subsequently be restored.

The Chairman then directed that:

- (a) Colonel Bain prepare a one page brief of his arguments in support of the full proposed wage increase.
- (b) Brigadier Hanlyn prepare a one page brief of his arguments opposing the increase at this time.
- (c) Colonel Adams prepare a one page brief of his reasons for recommending an increase to the C.C.R.R. only at this time.

785015

Col. Foley stated that a wage increase at the present time would render the task of securing authority from Washington for additional grain infinitely more difficult. Furthermore, if a wage increase was granted, it would have to be accompanied by a certain control of the black market or an inflation of considerable magnitude would result.

Col. Evans emphasized that, although food was the most important element in the situation, still the flour requested would only yield the present ration of 200 grams per day and would not raise the present standard of living. Either more flour or a wage increase to government employees was necessary to accomplish this result. He also pointed out that, to increase the ration of C.C.R.R. to 400 grams daily, would only take 18 tons of flour per day. This amounted to one day's supply in a month and was therefore, negligible.

The Council was then polled and agreed to recommend to D.C.C.A.C. that the ration of the C.C.R.R. be placed upon a par with that of the other Italian soldiers which was at present 400 grams per day. Lt. Col. Oberler was directed to prepare the necessary order raising the ration so that it would be available in the event that D.C.C.A.C. decided to adopt the recommendation of the Committee.

Several members then expressed the opinion that an increase in wages to the public employees in the various fields in which they operated was imperative. Colonel Denmore pointed out that many employees had received a month's wages in advance which they had spent. This borrowing against the future had augmented the necessity for an increase.

The Labor Sub-Commission again emphasized the belief that, while a wage increase in accordance with the proposed formula was needed now, under no circumstances should any discrimination be shown by giving an increase to the C.C.R.R. or any other group without including the rest.

Colonel Foley stated that now was the time to hold the line pending action on the request for flour. If an increase was granted in wages, the former scale could never subsequently be restored.

The Chairman then directed that:

- (a) Colonel Bain prepare a one page brief of his arguments in support of the full proposed wage increase.
- (b) Brigadier Harlyn prepare a one page brief of his arguments opposing the increase at this time.
- (c) Colonel Adams prepare a one page brief of his reasons for recommending an increase to the C.C.R.R. only at this time.

The Chairman announced that he would take these papers together with the whole problem to Brindisi to be dealt with there by the conference and the D.C.C.A.C.

185

The Chairman said that it was necessary for each Sub-Commission to have an extract of those parts of the long-term directive which were applicable to it in order to enable it to prepare its own directive. These abstracts could be secured from Colonel Albright.

186.

Due to extreme shortage of clerks and typewriters, all notes between personnel in Headquarters should be written in long hand where a copy was not essential. Furthermore, action is being taken to distribute the existing facilities where they would do the most good.

CONFIDENTIAL

- 4 -

187 Lt Col Clough announced that a two minute silence would be observed at Headquarters at noon on November 11th.

188 The meeting adjourned at 1635 hours.

Ken W. Dyer
LEWIS H. VAN DUSEN,
Captain, Ord.,
Secretary

DISTRIBUTION:

D.C.C.A.O.
Vice Chief of Staff
Deputy Chief of Staff
Director of Economics
Director of Administration
Chief Staff Officer, Comm.
Heads of all Sub-Commissions
Information Sub-Commission
Finance
Foreign Trade
Industry and Comm.
Fuel
Agric. Forests and Fisheries
Public Works and Utilities
Executive Officer
Information Officer
Public Relations Officer
Adjutant
Secretary
File
War Diary ✓
Spares

Later Sub-Commission
Interior
Public Health
Legal
Public Safety
Prop. Control
Educ. Fine Arts
Displaced Persons

War Diary

RESTRICTED

HEADQUARTERS
ALLIED MILITARY GOVERNMENT

5 November 1945.

The 17th Meeting of the
Executive Council
5 November 1945

Present

- | | |
|-----------------------------|--|
| Brigadier General McSherry | (Chairman) - D.C.C.A.O. |
| Brigadier L. Gusterbeck | - Acting Chief of Staff |
| Brigadier E. A. Harlyn | - Acting Economic Director |
| Brigadier G. S. Parkinson | - Director of Public Health |
| Colonel F. G. Kirk | - Chief of Public Safety |
| Colonel Young | - Deputy Chief of Public Safety |
| Colonel W. Evans | - Acting Director of Industry & Commerce |
| Colonel Foley | - Acting Finance Director |
| Colonel J. J. Albright | - Acting Executive Officer |
| Lt. Colonel Harmer | - Deputy Director of Displaced Persons |
| Lt. Colonel L. A. Jenny | - Acting Director P.W. & Utilities |
| Lt. Colonel W. C. Chandler | - Chief Legal Officer |
| Lt. Colonel F. H. McFarland | - Acting Director Displaced Persons |
| Lt. Colonel L. D. Denamore | - Acting Director Communications |
| Lt. Colonel Ordway | - Acting Administration Director |
| Lt. Colonel E. L. Clough | - Acting Chief of Secretariat |
| Lt. Colonel C. E. Harris | - Director of Property Control |
| Lt. Colonel Spicer | - Deputy Director of Interior |
| Lt. Colonel Gayre | - Acting Director of Education |
| Lt. Colonel C. Carter | - Acting Chief Fuel Officer |
| Major W. A. Hartman | - Acting Director of Agriculture |
| Major Reynolds | - Deputy Director of Fine Arts |
| Captain David Morse | - Deputy Director of Labor |
| Captain Charles Poore | - Acting Director of Information |
| Captain L. H. Van Dusen | - Secretary |

171. The meeting was called to order at 1500 hours.

172. The minutes of the last meeting were approved.

173. The following reports were made on the items on which action was requested at the last meeting:

(a) 155 (a) and 164 (a) - Colonel Kirk reported that the suggested plan for stamping out the black market had been submitted to the Legal Division and that there was no legal objection to it. Acting will be

785015

Brigadier General McSherry (Chairman) - D.C.C.A.O.
 Brigadier L. Gustarbock - Acting Chief of Staff
 Brigadier E. A. Harlyn - Acting Economic Director
 Brigadier G. S. Parkinson - Director of Public Health
 Colonel P. C. Kirk - Chief of Public Safety
 Colonel Young - Deputy Chief of Public Safety
 Colonel W. Evans - Acting Director of Industry & Commerce
 Colonel Foley - Acting Finance Director
 Colonel J. J. Albright - Acting Executive Officer
 Lt. Colonel Harner - Deputy Director of Displaced Persons
 Lt. Colonel L. A. Jenry - Acting Director P.W. & Utilities
 Lt. Colonel W. C. Chanler - Chief Legal Officer
 Lt. Colonel F. H. McFarland - Acting Director Displaced Persons
 Lt. Colonel L. D. Denmore - Acting Director Communications
 Lt. Colonel Orinos - Acting Administration Director
 Lt. Colonel E. L. Clough - Acting Chief of Secretariat
 Lt. Colonel C. R. Harris - Director of Property Control
 Lt. Colonel Spicer - Deputy Director of Interior
 Lt. Colonel Gayne - Acting Director of Education
 Lt. Colonel C. Carter - Acting Chief Fuel Officer
 Major W. A. Hartman - Acting Director of Agriculture
 Major Reynolds - Deputy Director of Fire Arts
 Captain David Morse - Deputy Director of Labor
 Captain Charles Focore - Acting Director of Information
 Captain L. H. Van Dusen - Secretary

171. The meeting was called to order at 1500 hours.

172. The minutes of the last meeting were approved.

173. The following reports were made on the items on which action was requested at the last meeting:

- 2489
- (a) 155 (a) and 164 (a) - Colonel Kirk reported that the suggested plan for stamping out the black market had been submitted to the Legal Division and that there was no legal objection to it. Acting will be taken to put the plan into effect.
- (b) 155 (j) and 164 (b) - Colonel Kirk reported that steps had been taken to comply with the Geneva Convention and to remove any civilian internees from prison and to lodge them elsewhere. On November 3rd, 70 internees had been placed in a comfortable home. Four in Agrigento were soon to be transferred. Arrangements are being made with No. 1 District to remove eight or nine internees lodged in Siracusa. Colonel Kirk also reported that the JAG of 7th Army had relinquished all interest in civilian internees and the problem is now handled wholly by HMG. The Chief Staff Officer directed the Chief Legal Officer, the Chief Security Officer and the Director of Public Safety to cooperate in handling this problem.

- (c) 166 - 166 - D.C.C.A.O. directed Lt. Colonel Clough to follow up the various reports referred to in order to ensure their prompt preparation and proper distribution and handling.

174. Explanation of the New A.C.C. structure and functions.

The Acting C.C.S. outlined the substance of a directive which had been received by General Joyce from A.F.H.Q. He said that the directive would shortly be distributed to the members of the Council in the form of a basic directive from Major General Joyce. This directive set forth the purpose and functions of A.C.C. generally. The Acting C.C.S. emphasized the importance of not making any long term commitments of any kind without the approval of higher authority, as A.C.C. had no long term objectives. On this point he read extracts from the basic directive. He said that this directive should govern the objectives set forth in the various directives in process of preparation by the Sub-Commissions. The relations between A.C.C. and the Italian Government were also discussed.

D.C.C.A.O. stated that A.C.C. would operate with its new organization in about one week, but that it might have to carry on military government as AMG for some little time before it was handed over any territory for Allied Control. The Acting C.C.S. explained that four subjects should be covered on the directives being prepared by each Sub-Commission.

- (a) An explanation of how the Sub-Commission proposes to operate.
- (b) A statement of the relations between the Regions and the Sub-Commissions and the powers of the former, under A.C.C. conditions.
- (c) A similar statement regarding the powers of Regions under Military Government conditions.
- (d) A statement of the points of policy in which it was desired that the 15 Army Group should conform to H.Q., A.C.C. instructions. On this point, Acting C.C.S. stated that Lt. Colonel Gerry of 15 Army Group had stated that he would cooperate to the full, where possible, in carrying out the policies formulated by A.C.C. In any case where this could not be done he would discuss the matter to work out a mutually satisfactory policy.

175. Promised Wage Increase to Public Officials. 165 - The Acting Economic Director stated that he and Colonel Foley had prepared a rough draft of a document outlining their reasons for opposing the adoption of the Plan at once. He said that to avoid the inflation which was imminent it was essential not to raise any wages except as part of an integrated anti-inflation plan. The proposed plan involved the following points, which he believed should be considered, explored, and acting upon before any wage increase became effective:

- "(a) Facilitate increases in local agricultural and industrial production. In determining the goods and shipping space for local civilian supply, emphasis should be placed on those imports which will contribute most effectively to increasing local production.
- (b) Reexamine the rationing system in order to determine what ration it bears to subsistence requirements and whether it is as liberal as quantities permit. Every effective increase in rations deprives the

- about one week, but that it might have to carry on military government as the for some little time before it was handed over any territory for Allied Control. The Acting C.O.S. explained that four subjects should be covered on the directives being prepared by each Sub-Commission.
- (a) An explanation of how the Sub-Commission proposes to operate.
 - (b) A statement of the relations between the Regions and the Sub-Commissions and the powers of the former, under A.C.C. conditions.
 - (c) A similar statement regarding the powers of Regions under Military Government conditions.
 - (d) A statement of the points of policy in which it was desired that the 15 Army Group should conform to H.Q., A.C.C. instructions. On this point Acting C.O.S. stated that Lt. Colonel Gerry of 15 Army Group had stated that he would cooperate to the full, where possible, in carrying out the policies formulated by A.C.C. In any case where this could not be done he would discuss the matter to work out a mutually satisfactory policy.

175. Proposed Wage Increase to Public Officials. 165 - The Acting Economic Director stated that he and Colonel Foley had prepared a rough draft of a document outlining their reasons for opposing the adoption of the Plan at once. He said that to avoid the inflation which was imminent it was essential not to raise any wages except as part of an integrated anti-inflation plan. The proposed plan involved the following points, which he believed should be considered, explored, and acting upon before any wage increase became effective:

- "(a) Facilitate increases in local agricultural and industrial production. In determining the goods and shipping space for local civilian supply, emphasis should be placed on those imports which will contribute most effectively to increasing local production.
- (b) Reexamine the rationing system in order to determine what relation it bears to subsistence requirements and whether it is as liberal as supplies permit. Every effective increase in rations deprives the black market of customers, drives down black market prices and reduces the cost of living.
- (c) Reexamine the MGOT legal price list to ensure its being as realistic as possible. Prescribed prices may not be enforced if they bear no reasonable relationship to prevailing prices.
- (d) Examine the operation of the black market to determine its extent, main sources of supply, organization, and the factors giving rise to it. It is also necessary to determine the actual extent of the black market in individual commodities.

- (e) Pursue with energy the enforcement of price, rationing, and anti-black market regulations. The various devices, including posting of price lists, closing of shops of violators, imposition of severe fines and imprisonment, and confiscation of stocks must be employed energetically.
- (f) Increase the supply of transportation available to the civilian economy.
- (g) Eliminate unnecessary governmental expenditures, increase governmental revenues by taxation and borrowing from the public, and stimulate private savings in all forms.
- (h) Keep to a practical minimum the local purchases of civilian goods and services for our military operations and the personal expenditures of the members of our armed forces."

D.C.C.A.O. pointed out, for the benefit of those present who had recently arrived in Sicily, that MG officers in varying numbers had been working to the best of their ability in this territory since July 10. He stated that he thought they had recognized the importance of each of the points raised and had exerted their best efforts to handle them. D.C.C.A.O. then reiterated his belief that, in the case of a matter as urgent as this one, it might be wise for these desiring to postpone action to review what had been done in the past four months by A.MOT. Each point brought forward was then discussed, D.C.C.A.O. explaining the steps which had been taken with regard to that point. He pointed out that it was, in his opinion, unlikely that much more could be accomplished and that it was a question of very serious import the answer to which had been long delayed. An immediate decision of some kind was required. If the increases were not given disturbances would probably result.

Colonel Evans presented the following figures on the grain situation which was agreed by all to be serious:

REGION I

Total called forward to date	14,893 tons of flour
Total delivered to date	5,724 " "
	9,169 " "
Called forward for December	7,000 " "
Due before January 1, 1943	16,169 " "
Stocks on hand	1,150 " "

REGION II

Total amount called forward to date	12,000 tons
" " delivered	8,100 "
Balance due	3,900 "
Stocks on hand about	5,000 "
	2484

The heads of many Sub-Commissions stated that the public officials with whom they dealt were grossly underpaid particular emphasis being laid upon the C.C.E.B. the school teachers, the employees of the courts, and the employees

tues of the members of our armed forces."

D.C.C.A.O. pointed out, for the benefit of those present who had recently arrived in Sicily, that MG officers in varying numbers had been working to the best of their ability in this territory since July 10. He stated that he thought they had recognized the importance of each of the points raised and had exerted their best efforts to handle them. D.C.C.A.O. then reiterated his belief that, in the case of a matter as urgent as this one, it might be wise for those desiring to postpone action to review what had been done in the past four months by MGOT. Each point brought forward was then discussed, D.C.C.A.O. explaining the steps which had been taken with regard to that point. He pointed out that it was, in his opinion, unlikely that much more could be accomplished and that it was a question of very serious import the answer to which had been long delayed. An immediate decision of some kind was required. If the increases were not given disturbances would probably result.

Colonel Evans presented the following figures on the grain situation which was agreed by all to be serious:

REGION I

Total called forward to date	14,895 tons of flour
Total delivered to date	<u>5,724</u> " " "
	9,169 " " "
Called forward for December	<u>7,000</u> " " "
Due before January 1, 1943	16,169 " " "
Stocks on hand	1,150 " " "

REGION II

Total amount called forward to date	12,000 tons
" " delivered	<u>6,100</u> "
Balance due	3,900 "
Stocks on hand about	5,000 "

2488

The heads of many Sub-Commissions stated that the public officials with whom they dealt were grossly underpaid particular emphasis being laid upon the C.C.R.R., the school teachers, the employees of the courts, and the employees of public utilities.

D.C.C.A.O. said that his MGOT staff was fully alive to the possibilities of inflation and that all practicable steps have been taken by MGOT to head it off.

It was decided to let the matter be decided after a conference between D.C.C.A.O., the Acting Economic Director, and Colonel Foley.

176. The meeting adjourned at 1645 hours.

DISTRIBUTION:

D.C.C.A.O.

Brigadier Gueterbock

Heads or Acting Heads of Sub-Commission:

Information Sub-Commission

Finance

Foreign Trade

Industry & Commerce

Fuel

Agric. Forests &

Fisheries

Public Works &

Utilities

Lt. Colonel E. L. Clough

Colonel F. J. Albright

Lt. Colonel Densmore

Ecc. Director

Secretary

File

Float

War Diary

Signos

LEWIS VAN DUSEN,
Captain, Ord.,
Secretary Executive Council.

Labor Sub-Commission

Interior "

Public Health "

Legal "

Public Safety "

Prop. Control "

Educ. Fire Arts "

Displaced Persons"

Minutes of
The 16th Meeting of the Executive Council
29th October 1945

PRESENT

Brigadier General McSherry (Chairman)	D.C.C.A.O.
Colonel Evans	Acting Director of Industry & Commerce.
Colonel Young	Deputy Chief of Public Safety.
Lt. Colonel Carter	Acting Chief Fuel Officer.
Lt. Colonel Chandler	Chief Legal Officer.
Lt. Colonel Gripps	Acting Administration Director.
Lt. Colonel Harmer	Deputy of Acting Director of Displaced Persons.
Lt. Colonel Harris	Director of Property Control.
Lt. Colonel Jenny	Acting Director Public Works and Util.
Lt. Colonel Mennys	Deputy of Acting Finance Officer.
Lt. Colonel Farley Smith	Acting Administration Director.
Lt. Colonel T.V. Smith	Acting Director of Education.
Lt. Colonel Smith	Deputy of Acting Director of Labour.
Lt. Colonel Spieler	Deputy of Acting Director of Interior.
Major Hartman	Acting Director of Agriculture.
Major Martin	Deputy of Acting Director of Foreign Trade.
Major Reynolds	Deputy of Acting Director of Fine Arts.
Major Scheele	Deputy of Director of Public Health.
Captain Morse	Labour Sub-Commission
Captain Poore	Acting Director of Information.

162. The meeting was called to order by the chairman at 1500 hours.
163. The minutes of the previous meeting were approved.
164. The following reports were made in the items on which action was directed at the last meeting;
- (a) 155(a) Deputy Chief of Public Safety said that owing to the change-over no action had been taken. D.C.C.A.O. directed that action be taken before the next meeting (Action Public Safety)
- (b) 155 (j) - Deputy Chief of Public Safety said that owing to the change over no action had been taken. D.C.C.A.O. directed that action be taken before the next meeting. (Action Public Safety)
- (c) 155 (k) Chief Legal Officer said he had discussed the Black-~~48~~ plan with the Chief Police Officer and said that there was no objection to the plan from the legal point of view. D.C.C.A.O. directed that Chief Legal Officer and Deputy Chief of Public Safety were to consult together and report at the next meeting. (Action Chief Legal Officer and Public Safety)
165. Lt. Colonel Smith, deputizing for the Acting Director of Labour, addressed the meeting in the subject of a suggested increase of rates and salaries of

Lt. Colonel Harris
Lt. Colonel Jenny
Lt. Colonel Monypace
Lt. Colonel Farley Smith
Lt. Colonel T.V. Smith
Lt. Colonel Smith
Lt. Colonel Spicer
Major Hartman
Major Martin

Major Reynolds
Major Schuele
Captain Morse
Captain Poore

Displaced Persons.
Director of Property Control.
Acting Director Public Works and Hail.
Deputy of Acting Finance Officer.
Acting Administration Director.
Acting Director of Education.
Deputy of Acting Director of Labour.
Deputy of Acting Director of Interior.
Acting Director of Agriculture.
Deputy of Acting Director of Foreign Trade.
Deputy of Acting Director of Fine Arts.
Deputy of Director of Public Health.
Labour Sub-Commission
Acting Director of Information.

162. The meeting was called to order by the chairman at 1500 hours.

163. The minutes of the previous meeting were approved.

164. The following reports were made in the items on which action was directed at the last meeting:

- (a) 155(a) Deputy Chief of Public Safety said that owing to the change over no action had been taken. D.C.C.A.O. directed that action be taken before the next meeting (Action Public Safety)
- (b) 155 (j) - Deputy Chief of Public Safety said that owing to the change over no action had been taken. D.C.C.A.O. directed that action be taken before the next meeting. (Action Public Safety)
- (c) 155 (k) Chief Legal Officer said he had discussed the Black ~~Plan~~ ⁷ plan with the Chief Police Officer and said that there was no objection to the plan from the legal point of view. D.C.C.A.O. directed that Chief Legal Officer and Deputy Chief of Public Safety were to consult together and report at the next meeting. (Action Chief Legal Officer and Public Safety)

165. Lt. Colonel Smith, deputizing for the Acting Director of Labour, addressed the meeting in the subject of a proposed increase of wages and salaries of government employees. He pointed out that the last increase of salaries to government employees was on December 1st 1942 and since that date the level food prices had risen at least 76%. The prices for clothing had also risen consistently and he argued that the present Salary Scale was insufficient to support life and that the proposed increases were quite essential. In the discussion that followed the point was made that the raising of salaries might have the effect of merely causing a rise in Black Market prices and that nobody would be better off at all except the "Black Marketeers". D.C.C.A.O. emphasized the emergency nature of the proposed increase. The increase was necessary to catch up with an existing situation. It was pointed out that 60% of private employees have already had their wages raised to a level equal to the proposed salary increase. Lt. Colonel Monypace (Finance) said that the proposal was of course, the start of the old vicious spiral of inflation but he supported it as an emergency measure and believed that as

RESTRICTED

AMCOT/51/HQ

23 October 1943

AMCOT HEADQUARTERSMinutes of

The 15th Meeting of the Executive Council
15 October 1943

PRESENT

Brigadier General McSherry (Chairman) - D.C.C.A.O.
Colonel Todd - D.L.S.
Colonel Zellars - D.D.T.S. (Acting)
Colonel Bolles - C.P.S.
Lt. Col. Farley Smith - D.C.S.O.
Lt. Col. Chanler - C.L.O.
Lt. Col. Harris - C.P.
Lt. Col. Menapace - D.C.F.O.
Lt. Col. Densmore - D.P.O.U.
Major Chayton - D.A.D.
Major Scheele - D.D.P.H.
Captain Morse - D.L.D.
Captain Van Dusen - Secretary

153. The meeting was called to order by D.C.C.A.O. at 1500 hours.

154. The Secretary was directed by D.C.C.A.O. to make the following corrections to the minutes of the last meeting:

- (a) 148 (b) - The word "advisability" to be changed to read "necessity."
- (b) 148 (n) - The word "should" appearing in the third line to be changed to read "could."
- (c) 148 (o) - The word "additional" to be inserted before the word "hydroelectric" in the first line; and the word "November" to be substituted for the word "December" in the third line.
- (d) 148 (p) - The words "and a proposed method of enforcing it" to be eliminated.

155. The following reports were made on the items on which action was directed at the last meeting.

- (a) 148 (b) and 135 - C.L.O. stated that it was necessary under International Law to put all political prisoners in camps and not in jails. D.C.C.A.O. directed C.P.S. to see that action was taken accordingly at once. (Action C.P.S.)

(b) 148 (n) and 136 - D.C.S.O. reported that the required action

Colonel Zellars
Colonel Bolles
Lt. Col. Farley Smith
Lt. Col. Charlier
Lt. Col. Harris
Lt. Col. Menapace
Lt. Col. Densmore
Major Chayton
Major Scheele
Captain Morse
Captain Van Dusen
- D.D.S.S. (Acting)
- C.P.S.
- D.C.S.O.
- C.L.O.
- C.P.
- D.C.T.O.
- D.T.C.U.
- D.A.D.
- D.D.P.H.
- D.L.D.
- Secretary

153. The meeting was called to order by D.C.C.A.O. at 1500 hours.

154. The Secretary was directed by D.C.C.A.O. to make the following corrections to the minutes of the last meeting:

- (a) 148 (b) - The word "advisability" to be changed to read "necessity."
- (b) 148 (n) - The word "should" appearing in the third line to be changed to read "could."
- (c) 148 (o) - The word "additional" to be inserted before the word "hydroelectric" in the first line; and the word "November" to be substituted for the word "December" in the third line.
- (d) 148 (p) - The words "and a proposed method of enforcing it" to be eliminated.

155. The following reports were made on the items on which action was directed at the last meeting.

- (a) 148 (v) and 135 - C.L.O. stated that it was necessary under International Law to put all political prisoners in camps and not in jails. D.C.C.A.O. directed C.P.S. to see that action was taken accordingly at once. (Action C.P.S.)
- (b) 148 (c) and 136 - D.C.S.O. reported that the required action had been taken.
- (c) 148 (d) and 137 - D.L.L. reported that the survey of wages paid by governmental agencies had been completed and was available.
- (d) 148 (g) and 139 - C.L.C. stated that he had conferred with Major Chayton on the preparation of a general order covering the proposed Agricultural Re-Organization, but that he thought it was unwise at this time to set up an entirely new Agricultural system in view of the probability of the Badoglio Government coming into the picture shortly. D.C.C.A.O. stated that the new Agricultural Commission, when formed, would prepare recommendations which could later be taken up with the Italian Government.

285

- 2 -

- (e) 148 (h) and 140 - The issuance of this general order was postponed for the same reasons as those stated in the last paragraph.
- (f) 146 (1) and 142 - C.P.S. reported that all Questori have been instructed to insist upon the possession and use of all licenses required under Italian Law before the occupation.
- (g) 148 (p) and 142 - D.C.F.O. reported that, since there was no officer available to replace Lt. Comdr. Southard, he would rely on the Price Index now in process of preparation by D.L.D.
- (h) 148 (r) and 144 - D.C.S.O. reported that the required action had been taken.
- (i) 149 - D.L.D. reported that a telegram had been sent to AMO as directed. D.C.C.A.O. stated that further action would be postponed until a reply to this message was received.
- (j) 150 - D.A.D. reported that, since he had been away for the greater part of the past week, he had not been able to prepare the memorandum requested. D.C.C.A.O. stated that he had discussed the question with several S.C.A.O.s including all of those who were alleged to have grain surpluses. From these discussions he realized that the situation was serious. Various expedients were being tried in different provinces to collect more grain. Enna had offered rewards for the disclosure of grain hoards; which were confiscated when discovered. This procedure resulted in considerable resentment on the part of the populace of Enna. D.C.C.A.O. stated that he thought more grain would have to be imported than had originally been requested. D.C.C.A.O. directed C.P.S. to make periodic checks on the movement of trucks carrying grain or flour at night. (Action C.P.S.)
- (k) 151 - D.A.D. stated that he still favored his original plan for attacking the black market in grain and flour. This plan involved sending C.C.R.R. to the country in pairs with directions to visit farms or houses in a specific area. Where grain was found, they were to make it clear to those in possession that no action was contemplated against them but that severe steps were to be taken against the sellers. In this way he hoped to ascertain who were the big operators. D.C.C.A.O. directed C.P.S. to discuss this plan at once with C.L.O. and his Chief Police Officer. (Action C.P.S. and C.L.O.)

156. Delegation of authority by Division Chiefs to R.O.A.O.s. Owing to the uncertainty of events, D.C.C.A.O. stated that this matter should be dropped for the present, except in any special cases where some further delegation was imperative in order to enable the Regional Program to operate.

had been taken.

- (i) 149 - D.L.D. reported that a telegram had been sent to ATHQ as directed. D.C.C.A.O. stated that further action would be postponed until a reply to this message was received.
- (j) 150 - D.A.D. reported that, since he had been away for the greater part of the past week, he had not been able to prepare the memorandum requested. D.C.C.A.O. stated that he had discussed the question with several S.C.A.O.s including all of those who were alleged to have grain surpluses. From these discussions he realized that the situation was serious. Various expedients were being tried in different provinces to collect more grain. Enna had offered rewards for the disclosure of grain hoards; which were confiscated when discovered. This procedure resulted in considerable resentment on the part of the populace of Enna. D.C.C.A.O. stated that he thought more grain would have to be imported than had originally been requested. D.C.C.A.O. directed C.P.S. to make periodic checks on the movement of trucks carrying grain or flour at night. (Action C.P.S.)
- (k) 151 - D.A.D. stated that he still favored his original plan for attacking the black market in grain and flour. This plan involved sending C.C.R.R. to the country in pairs with directions to visit farms or houses in a specific area. Where grain was found, they were to make it clear to those in possession that no action was contemplated against them but that severe steps were to be taken against the sellers. In this way he hoped to ascertain who were the big operators. D.C.C.A.O. directed C.P.S. to discuss this plan at once with C.L.O. and his Chief Police Officer. (Action C.P.S. and C.L.O.)
156. Delegation of authority by Division Chiefs to R.C.A.O.s. Owing to the uncertainty of events, D.C.C.A.O. stated that this matter should be dropped for the present, except in any special cases where some further delegation was imperative in order to enable the Regional Program to operate.
157. Labor Plans. D.L.D. asked whether these plans should be extended to Regions II and III. D.C.C.A.O. stated that the matter should be left in abeyance pending further clarification of the method of operation for the future.
158. Presentation of Wage Studies. D.C.C.A.O. directed that D.L.D. submit these studies to each Division. After agreement had been reached with the various Divisions then the studies should be presented to D.C.C.A.O. (Action D.L.D.)
159. Proposed Amalgamation in Provincial Administration. D.C.C.A.O. stated that in Region II all Provincial Administration was eliminated except S.C.A.O.s

and S.C.A.P.O.s. Larger areas formed the operating units to conserve staffs. However, no amalgamation would take place in Region I until the new S.C.A.O.s had become familiar with their present assignments.

160. D.C.C.A.O. told the meeting that Headquarters should be prepared to hand over the administration of Sicily to Region I very quickly. He explained that new personnel were coming to combine with those Headquarters and that every assistance should be given to these men to enable them to learn quickly that which they needed to know concerning the present organization.

161. The meeting adjourned at 1620 hours.

Lewis H. Van Dusen, Jr.
LEWIS H. VAN DUSEN, JR.,
Captain, Ord,
Secretary to EXCO.

DISTRIBUTION:

D.C.C.A.O.	D.T.C.U.	
D.E.S. ()	D.A.D.	
C.P.S.	D.D.P.H.	
D.C.S.O.	D.L.D.	
J.C.L.O.	Secretary (2)	
C.P.	File	War Diary ✓
D.C.F.O.	Float	Spares (10)
D.D.E.S. (Acting)		
C.S.O.		

25 OCT 1943

14

AMCOT HEADQUARTERS.

A G E N D A.

14th meeting of the Executive Council to be held at 1500 hours
15th October, 1943, in the Conference Room.

1. Minutes of the last meeting.
2. Proposed Labor Plan No. 3 (D.L.D.) (Plan attached). *A*
3. Interprovincial Movements of Foodstuffs. (DAD) (Appendix A). *B*
4. Action to deal with Serious Grain Problem (DAD) (Appendix B). *C*

Lewis H. Van Dusen
LEWIS H. VAN DUSEN
Capt., Ord.
Secretary Executive Council.

Distribution.

C.C.A.O.	D.E.S.	Secretary
D.C.C.A.O.	C.L.O.	File
C.S.O.	C.P.	Float
C.P.S.	D.T.C.U.	War Diary
D.P.M.	D.A.D.	Spares (10)
C.F.O.	D.L.D.	

2484

SUBJECT: Labor Plan No. 3

S E C R E T

2 OCT 1943

TO : Executive Council
~~XXXXXXXXXXXX~~

AMGOT/9001/LAB
AMGOT HQ SICILY
10 October 43

1. The attached proposal is submitted for consideration and approval. If approved, certain of the provisions should issue from AMGOT by Amendment to General Order No. 8; others by Rule and Regulation. However, they are submitted in one proposal at this time so that they can be observed in relation to each other and expedite consideration.

2. Labor Plans 1 and 2 resulted in issuance of General Order No. 8. The Order has been well received by the public at large as a measure consistent with their views and the social and economic requirements of the day. The purpose of establishing governmental machinery in the labor field, operated by native civilians, is being accomplished so that if AMG were to remove its influence and supervision tomorrow, a civilian organization would be left to function with hope of stability and success.

3. It is submitted that one thing more remains to be done to complete the program, namely, the issuance by AMGOT of an order which implements General Order No. 8 and which states that the workers of Sicily may now proceed with organization. It should be left to the civilian labor offices (subject to AMGOT supervision as provided in General Order No. 8) to establish detailed machinery for the channeling of an organizing movement in the public interest, but the definite statement of policy should issue from AMGOT.

4. If this proposal is approved, AMG will have completed the following:

- a. Abolished the Fascist Corporative Syndical System (General Order No. 8).
- b. Substituted a civilian government machinery for handling labor relations (General Order No. 8).
- c. Assured a framework for a free labor movement which can be successful or not, limited or not, depending upon the capacity, leadership and desires of the population (Present Plan No. 3).
- d. Consolidated under the government Regional Labor Office for Sicily previous Fascist functions which were of benefit to the workers and the public; having eliminated those which were objectionable (By administrative action, Labor Division).
- e. Provided a machinery for present and future self determination of labor disputes, contracts, wages, etc. (General Order No. 8, and Rules and Regulations).

5. AMGOT can then act solely in an advisory and supervisory capacity in the field of labor relations (with the civilian government functioning independently

ians, is being accomplished so that if AMG were to remove its influence and supervision tomorrow, a civilian organization would be left to function with hope of stability and success.

3. It is submitted that one thing more remains to be done to complete the program, namely, the issuance by AMGOT of an order which implements General Order No. 8 and which states that the workers of Sicily may now proceed with organization. It should be left to the civilian labor offices (subject to AMGOT supervision as provided in General Order No. 8) to establish detailed machinery for the channeling of an organizing movement in the public interest, but the definite statement of policy should issue from AMGOT.

4. If this proposal is approved, AMG will have completed the following:

- a. Abolished the Fascist Corporative Syndical System (General Order No. 8).
- b. Substituted a civilian government machinery for handling labor relations (General Order No. 8).
- c. Assured a framework for a free labor movement which can be successful or not, limited or not, depending upon the capacity, leadership and desires of the population (Present Plan No. 3).
- d. Consolidated under the government Regional Labor Office for Sicily previous Fascist functions which were of benefit to the workers and the public; having eliminated those which were objectionable (By administrative action, Labor Division).
- e. Provided a machinery for present and future self determination of labor disputes, contracts, wages, etc. (General Order No. 8, and Rules and Regulations).

5. AMGOT can then act solely in an advisory and supervisory capacity in the field of labor relations (with the civilian government functioning independently on a firm "constitutional" base) prepared to step in under its authority only in event of emergency.

DAM/jfl

Distribution:

All Divisions
OCAD
DCCAD
CSO
Float
Spares

2483
David A. Morse
DAVID A. MORSE
Capt., A. C.
Director, Labor Division

S E C R E T

S E C R E TLABOR PLAN NO. 2LABOR ORGANIZATION

AMCOT HQ SICILY
AMCOT/9001/LLE
9 Oct. 45

I. RIGHT OF ORGANIZATION.

Employees shall have the right to select representatives of their own choosing without interference, restraint, or coercion, by employers for the purpose of collective bargaining in matters concerning hours, wages and working conditions; adjusting grievances and disputes; and for mutual social and economic assistance.

II. INTERNAL ORGANIZATION.

Employees shall have the right to organize and function in accordance with constitutions, by-laws and such other fundamental documents as may be necessary or required, but in each instance the constitutions, by-laws and other documents must be approved and ratified by free and secret majority vote of the membership.

III. COLLECTIVE CONTRACTS.

Contracts shall specify hours, wages, working conditions, grievance machinery, and termination provisions.

IV. REGISTRATION AND FILING.

A. A certified copy of all collective contracts and arbitration decisions must be filed by both parties to the said contracts and decisions with the Regional Labor Office and the Provincial Labor Office of the Province in which the employer is physically engaged within ten days after completion. If the contract or decision includes operations within more than one province, then said contract or decision must be filed with the Provincial Labor Office of each Province.

B. Union constitutions, by-laws, and other related fundamental documents, together with amendments, or revisions thereof, must be filed with the Provincial Labor Office and the Regional Labor Office within ten days after approval and ratification by the membership.

V. FINANCIAL REPORTS.

Each Union shall make an annual financial report to its membership within thirty days after the close of its fiscal year, based upon certified accountant audit. The Regional Labor Office shall specify the scope of the financial report and the items to be included. Reports shall be distributed to each member and be available for public inspection and publication. Within thirty days after the close of the fiscal year, one copy shall be filed with the Provincial Labor Office within the Province in which the Union Headquarters is located, and one copy shall

Employees shall have the right to organize and function in accordance with constitutions, by-laws and such other fundamental documents as may be necessary or required, but in each instance the constitutions, by-laws and other documents must be approved and ratified by free and secret majority vote of the membership.

III. COLLECTIVE CONTRACTS.

Contracts shall specify hours, wages, working conditions, grievance machinery, and termination provisions.

IV. REGISTRATION AND FILING.

A. A certified copy of all collective contracts and arbitration decisions must be filed by both parties to the said contracts and decisions with the Regional Labor Office and the Provincial Labor Office of the Province in which the employer is physically engaged within ten days after completion. If the contract or decision includes operations within more than one province, then said contract or decision must be filed with the Provincial Labor Office of each Province.

B. Union constitutions, by-laws, and other related fundamental documents, together with amendments, or revisions thereof, must be filed with the Provincial Labor Office and the Regional Labor Office within ten days after approval and ratification by the membership.

V. FINANCIAL REPORTS.

Each Union shall make an annual financial report to its membership within thirty days after the close of its fiscal year, based upon certified accountant audit. The Regional Labor Office shall specify the scope of the financial report and the items to be included. Reports shall be distributed to each member and be available for public inspection and publication. Within thirty days after the close of the fiscal year, one copy shall be filed with the Provincial Labor Office within the Province in which the Union Headquarters is located, and one copy shall be filed with the Regional Labor Office.

DAM/jfl

Distribution

All Divisions

CCAO

DOCAO

CSO

Float

Spares

David A. Morse

DAVID A. MORSE

Capt., A. C.

Director, Labor Division

SECRET

785015

OCT 1943

APPENDIX A.MCOT H.Q. SICILY.Subject: Price Control.MCOT/12002/AG.13 October, 1943.

1. In an attempt to bring order out of chaos the Civilian Supply Division after a careful study of the information available on the subject compiled and issued on 1st Sept. a very comprehensive retail price list for essential commodities. In order to allow for the flexibility necessary to deal with varying local conditions the following provisions were made.

- a. The prices were island maximum and were to be used as a ceiling. Maximum prices in provinces could be fixed below these levels.
- b. In cases where any particular scheduled price was regarded by an S.C.L.O. as too low, provisions was made for reconsideration in consultation with the Civilian Supply Division.
2. Cases have, however, arisen where the instruction has been ignored and prices have been paid above the scheduled limits without consultation. In some instances the differences are relatively important. This has created considerable difficulties and is tending to a price tug of war. It has also given rise to bad feeling between neighbouring provinces and trucks and produce have been seized in an attempt to prevent movements out of provinces. Other steps such as the posting of guards on roads to enforce embargoes on exports have also been taken.

3. The principles which should govern interprovincial movements of unrationed food stuffs were laid down by me and agreed at a conference of supply officers on 26th Sept. They were:

- a. That movements must be agreed by the S.C.L.Os of both supplying and receiving provinces.
- b. That movements should be influenced by retail price differentials only and that economic forces should be allowed free play to effect the movement.
- c. That relative price levels should be amended as necessary to increase or diminish the flow as mutually agreed and desired.

4. It was considered that if these principles were adopted it would provide the simplest means of effecting such movements as were required. Unfortunately, in some provinces the attitude appears to have been adopted that local prices are solely a matter for that province and attempts have been made to attract supplies disregarding the wishes of the supplying provinces. To take the case of beef (prime cuts) as an example, the Civilian Supply Schedule fixes the island maximum at L. 34 per kilo. Some provinces were able to fix a price well below this figure. In Enna for instance the price was about L. 20 per kilo, but in Palermo the official price was L. 42 per kilo. This price was fixed before the but was allowed to stand in spite of the

1. In cases where any particular scheduled price was required by the S.C.A.O. as too low, provisions were made for reconsideration in consultation with the Civilian Supply Division.
2. Cases have, however, arisen where the instruction has been ignored and prices have been paid above the scheduled limits without consultation. In some instances the differences are relatively important. This has created considerable difficulties and is tending to a price tag of war. It has also given rise to bad feeling between neighbouring provinces and trucks and produce have been seized in an attempt to prevent movements out of provinces. Other steps such as the posting of guards on roads to enforce embargoes on exports have also been taken.
3. The principles which should govern interprovincial movements of unrationed food stuffs were laid down by me and agreed at a conference of supply officers on 26th Sept. They were:
 - a. That movements must be agreed by the S.C.A.O.s of both supplying and receiving provinces.
 - b. That movements should be influenced by retail price differentials only and that economic forces should be allowed free play to effect the movement.
 - c. That relative price levels should be amended as necessary to increase or diminish the flow as mutually agreed and desired.
 - d. It was considered that if these principles were adopted it would provide the simplest means of effecting such movements as were required. Unfortunately, in some provinces the attitude appears to have been adopted that local prices are solely a matter for that province and attempts have been made to attract supplies disregarding the wishes of the supplying provinces. To take the case of beef (prime cuts) as an example, the Civilian Supply Schedule fixes the Island maximum at L.34 per kilo. Some provinces were able to fix a price well below this figure. In Enna for instance the price was about L.20 per kilo, but in Palermo the official price was L.42 per kilo. This price was fixed before the issue of the Civilian Supply Schedule but was allowed to stand in spite of the instruction. As a result the neighbouring provinces of Enna and Caltanissetta, which were well supplied with meat, found their supplies moving across the Palermo border and the local market entirely depleted. Even Trapani where supplies were already short experienced an increased shortage.
 - e. The obvious answer in defence was a price increase to prevent the movement. Fortunately the S.C.A.O.s of the provinces effected realized the inflationary aspects of such a reply and attempted to prevent movement by physical means. This action, which should have been entirely unnecessary has not, however, solved the problem for these three provinces. The stock for slaughter is not now forthcoming as suppliers say they will not kill except at prices in line with those in Palermo.
 - f. Meat is not the only item nor is Palermo the only province involved. Cases are submitted with added frequency of similar problems which are arising as a result of non observance of the ceiling price list and of the agreed principles.

2.

7. It is considered that action should be taken immediately to control the situation and to facilitate the removal of obstacles to interprovincial trade and to prevent any further stimulation to an already existing inflationary movement.

APPENDIX B.

ALLOT H.Q. SICILY.

Subject: Grain Supplies.

AFSOT/12003/AG.

13 October, 43.

1. The directive issued by AFHQ, MOS of 29 Sept. 1943 contains in paragraph 3 a very clear indication that the help which we can expect from imports in feeding the population of occupied territory will be very limited indeed. The remainder of the directive which refers to A.M.C. is a refreshing reminder of our duty to tackle the problems confronting us and is not entirely devoid of value.

2. The matter of grain supplies is one to which a considerable amount of thought has been given at this H.Q. and, lest we should lose sight of its pressing importance, vigorous prods are constantly being conveyed by the provinces in Region I. I have no doubt that as soon as communications are improved similar problems of Regions II and III will be repeatedly and vigorously presented to us.

3. During the last week the S.C.A.Os of three provinces have attended this H.Q., and conferences have been held to discuss the question of grain supplies. An urgent request for assistance has also been received from S.C.A.O. Catania.

4. Action has been taken to deal with the immediate problem but new and urgent action is necessary if the problem is to be dealt with on more than a day to day basis. If nothing more is contemplated than the generally ineffective and uncoordinated steps now being taken in various provinces, it will soon become impossible to deal with the situation even on a hand to mouth basis.

5. Before a report is sent to AFHQ on action taken on their directive, it is essential that we should be able to say that we have taken all possible measures to provide for the civil population from supplies locally available. We certainly cannot say this at present.

6. In considering what action can be taken, it is as well to set out in detail the fundamental facts governing the situation. They are as follows:

A. Immediate.

- (i) Before the date of commencement of effective control, considerable quantities of wheat disappeared into hoards and particularly into the hands of the black market operators.
- (ii) The quantities amassed since that date have been exceedingly disappointing. This is largely due to continued black market cornering and to withholding by producers.
- (iii) The quantity of wheat available from controlled sources will not support even an inadequate ration for more than a month or two. Black market sources are, under existing conditions, available for those who can afford to pay. They will probably continue to be available but the price is likely to increase considerably and the number of people supplied from this source will be correspondingly reduced.

5. During the last week the S.C.A.O.s of three provinces have attended this H.C., and conferences have been held to discuss the question of grain supplies. An urgent request for assistance has also been received from S.C.A.O. Catania.

4. Action has been taken to deal with the immediate problem but now and urgent action is necessary if the problem is to be dealt with on more than a day to day basis. If nothing more is contemplated than the generally ineffective and uncoordinated steps now being taken in various provinces, it will soon become impossible to deal with the situation even on a hand to mouth basis.

5. Before a report is sent to AMH on action taken on their directive, it is essential that we should be able to say that we have taken all possible measures to provide for the civil population from supplies locally available. We certainly cannot say this at present.

6. In considering what action can be taken, it is as well to set out in detail the fundamental facts governing the situation. They are as follows:

A. Immediate.

- (i) Before the date of commencement of effective control, considerable quantities of wheat disappeared into hoards and particularly into the hands of the black market operators.
- (ii) The quantities amassed since that date have been exceedingly disappointing. This is largely due to continued black market cornering and to withholding by producers.
- (iii) The quantity of wheat available from controlled sources will not support even an inadequate ration for more than a month or two. Black market sources are, under existing conditions, available for those who can afford to pay. They will probably continue to be available but the price is likely to increase considerably and the number of people supplied from this source will be correspondingly reduced.
- (iv) Plans for stepping up the rate of amassing are for various reasons, weak and ineffective.
- (v) Distribution of such stocks that are available is exceedingly difficult owing to scarcity of trucks or of rail facilities and deterioration of roads following rains. The supply and distribution (transport) problems are such that days on which no bread at all has been available in certain localities are likely very soon to increase rapidly.
- (vi) The prospect of substantial assistance by imports appears to have vanished with the issue of the directive from AMH referred to above.

3. Long Term.

2.

(i) The harvest has definitely been a poor one and total supplies of grain will in any event be insufficient to provide an adequate ration till the next harvest. Visible stocks in controlled channels indicate that these will be exhausted before the end of the year in Region I. There is nothing to show that the position in Regions II and III is very different.

(ii) The bulk of the important alternative cereals, maize (70%) and rice (95%) are produced in the Plain of Lombardy and are therefore inaccessible.

(iii) The enemy has almost certainly taken grain out of Regions II and III and is probably removing cereal crops from Regions now in his possession.

7. Considerations of the problems involved, having regard to the known facts, suggest that the following courses are open:

(i) Allow the public to continue to supply its bread and pasta needs from rations insofar as they are available, supplemented by recourse to Black Market.

(ii) Reduction of ration and/or substitution of other articles of food for bread and pasta.

(iii) Discover and collect supplies outside controlled channels to increase supplies available to these channels. Steps such as the decrease of the quantities allowed for retention by farmers and increase in grain prices are supplementary.

8. The first course appears at present, a simple way out. One may well ask the question, "If the people are in fact being fed, why worry about how it is being done?" This is in any case only a short term solution. To countenance this state of affairs and to allow it to continue would not only be politically unsound, but would tend to stimulate black market activities to such an extent as to make supplies available to the controlled channels nonexistent within a very short time. It still does not provide for the poor man and is a negation of control and a full admission of the failure of our administration.

9. The maximum daily ration in Region I is 300 grs. of bread plus 40 grs. of pasta. Even those receiving the full permitted ration say that as this is their main article of diet it is insufficient. This claim is substantiated by Annex II of the AFHQ directive which estimates that the minimum diet requires 2,000 calories per day, of which 66% is to be from grain. On this basis, the daily consumption of flour per head will be 377 grs. which is equivalent to 452 grs. of bread.

(iii) The enemy has almost certainly taken grain out of Regions II and III and is probably removing cereal crops from Regions now in his possession.

7. Considerations of the problems involved, having regard to the known facts, suggest that the following courses are open:

- (i) Allow the public to continue to supply its bread and pasta needs from rations insofar as they are available, supplemented by recourse to Black Market.
- (ii) Reduction of ration and/or substitution of other articles of food for bread and pasta.
- (iii) Discover and collect supplies outside controlled channels to increase supplies available to these channels. Steps such as the decrease of the quantities allowed for retention by farmers and increase in grain prices are supplementary.

8. The first course appears at present, a simple way out. One may well ask the question, "If the people are in fact being fed, why worry about how it is being done?" This is in any case only a short term solution. To countenance this state of affairs and to allow it to continue would not only be politically unsound, but would tend to stimulate black market activities to such an extent as to make supplies available to the controlled channels nonexistent within a very short time. It still does not provide for the poor man and is a negation of control and a full admission of the failure of our administration.

9. The maximum daily ration in Region I is 300 grs. of bread plus 40 grs. of pasta. Even those receiving the full permitted ration say that as this is their main article of diet it is insufficient. This claim is substantiated by Annex II of the AFHQ directive which estimates that the minimum diet requires 2,000 calories per day, of which 66% is to be from grain. On this basis, the daily consumption of flour per head will be 377 grs. which is equivalent to 452 grs. of bread.

10. A case can however be made out for a levelling of maximum permitted rations to allow for a more equitable distribution of available supplies. The physiological effect on producing and supplying provinces must be considered. Reduction of the ration in these provinces will result in increased resort to the black market. The increase of demand in this channel will provide additional incentives for the accumulation of black market hoards and is likely to be an obstacle to any attempt to increase controlled stocks. For this reason, it might be considered that the reduction should be postponed till the end of the official period for collection. Against this, however, it seems unwise (a) to allow stocks to be exhausted unnecessarily and (b) to allow to continue the considerable difference in effective rations which exists.

11. The average maximum daily ration in Region I at present is, however, only 165 grs. of bread and 15 grs. of pasta, equivalent to 152 grs. of flour. This represents 40% of the minimum requirements! The question of substitution of non-cereal for cereal foods does not therefore arise. Nor, on the same basis can a reduction in average ration be contemplated. It is unlikely that the conditions in Regions II and III are any better than those in Region I.

12. With regard to the question of the discovery and collection of supplies outside controlled channels, much remains to be done, and it is almost entirely to this sphere of action that attention must be directed. Some help can be obtained by the reduction in the quantity which farmers are allowed to retain. The main effort must, however, be directed against hoards in the hands of farmers and black market operators. This problem has been discussed at length, but, with the exception of sporadic efforts in various provinces, no positive general vigorous action has been initiated. The position indicates that the matter is now one of the gravest urgency. It is essentially a police matter and the choice of actions which ultimately rest with the Public Safety Division is whether they will now take action to deal with this present problem or face the eventual one of handling the grave and growing food disorders, which may certainly be otherwise anticipated.

13. My conclusion is that we are left with the one main possible line of action referred to in the previous paragraph. But that action is required immediately. To await localizations under General Order No. 5 or the termination of the authorized period for grain collection merely puts off the evil day. Even if it were certain that we should then be in a considerably better position to take action, it is suggested that we cannot afford to wait. Our days are numbered. Every day which is lost now increases in marked measure the acuteness of the problem of feeding the population.

MOST SECRET

AMCOT H.Q.

2 October 1943

Minutes of
the 13th Meeting of the Executive Council

1 October 1943

P. R. S. E. N. T.

Col. Spofford (Chairman)

Col. Bolles

Col. Cheyne

Col. Zellars

Lt. Col. Densmore

Lt. Col. Harris

Lt. Col. Manapace

Lt. Col. Rowe

Major Chayton

Capt. Morse

Capt. Van Dusen

Lt. Van Heukelom

C.S.O.

C.P.S.

D.P.H.

D.E.S. Acting

D.C.T.U.

C.P.

D.C.F.O.

D.C.L.O.

D.A.D.

D.L.D.

Secretary

133. The meeting was called to order by the C.S.O. at 1500 hours.

134. The minutes of the last meeting were reviewed and approved.

135. Authority for release of persons taken into custody by Allied Forces or Allied Military Government. (Item 2 of Agenda)
The C.S.O. raised the question of the proper policy to adopt on this subject in view of the recent military and political developments. C.S.O. expressed the opinion that all those persons whose retention was not warranted under present circumstances be released, as soon as possible, and recommended that a decision be made upon C.C.A.O.s return. The Council agreed. (Action C.S.O.)

The C.P.S. expressed the opinion that there were many undesirables still at large, who should be apprehended and detained.

The D.C.L.O. stated that most, if not all, of those arrested should be taken straight to Internment Camps, rather than to (hols, pointing out the unfavourable impression which might be created if this policy was not adopted.

The C.P.S. commented that, since the original planning, no other provision had been made for such cases. Chaotic conditions had existed in this respect from the day Allied tactical troops had commenced operations on the Island, and he saw no promise of any immediate solution to this problem. The C.S.O. directed that the C.P.S. and D.C.L.O. report jointly on this question at the next EXCO meeting. (Action C.P.S. and D.C.L.O.)

136. Re-establishment of Prefects Council and Provincial Giunta. (Item

Lt. Col. Menapace
 Lt. Col. Rowe
 Major Chayton
 Capt. Morse
 Capt. Van Dusen
 Lt. Van Heukelom

Secretary

133. The meeting was called to order by the C.S.O. at 1500 hours.

134. The minutes of the last meeting were reviewed and approved.

135. Authority for release of persons taken into custody by Allied Forces or Allied Military Government. (Item 2 of Agenda)
 The C.S.O. raised the question of the proper policy to adopt on this subject in view of the recent military and political developments. C.S.O. expressed the opinion that all those persons whose retention was not warranted under present circumstances be released, as soon as possible, and recommended that a decision be made upon C.C.A.O.'s return. The Council agreed. (Action C.S.O.)

The C.P.S. expressed the opinion that there were many undesirables still at large, who should be apprehended and detained.

The D.C.L.O. stated that most, if not all, of those arrested should be taken straight to Internment Camps, rather than to jails, pointing out the unfavourable impression which might be created if this policy was not adopted.

The C.P.S. commented that, since the original planning, no other provision had been made for such cases. Chaotic conditions had existed in this respect from the day Allied tactical troops had commenced operations on the Island, and he saw no promise of any immediate solution to this problem. The C.S.O. directed that the J.P.S. and D.C.L.O. report jointly on this question at the next EXCO meeting. (Action C.P.S. and D.C.L.O.)

136. Re-establishment of Prefects Council and Provincial Giunta. (Item

3 of Agenda)

C.S.O. recommended that S.C.A.O.s be authorized to resurrect these bodies in cases where they considered it desirable. The C.S.O. stated that these organizations were a part of the Administrative set-up and might in some cases profitably be re-instated. The D.C.L.O. cautioned against requiring the approval of these bodies to communal orders and decrees as under the Italian law. The Council agreed. (Action C.S.O.)

137. Policy on revision of wages for employees of private employers. (Item 4 of Agenda).

The D.L.D. asked the Council's approval of the preparation of a survey of the prevailing wage scales being paid by private employers in Sicily. The survey would be accompanied by appropriate recommendations. The meeting agreed and recommended prompt action. (Action D.L.D.)

- 2 -

138. Rotation of S.C.A.O.s (Item 5 of Agenda)

The D.E.S. (Acting) summarized the difficulties encountered in the distribution of food, and other supplies, throughout the Island. The problem of equitable distribution could be solved only by the institution of various remedial measures. He proposed that, since the S.C.A.O.s of the provinces having present surpluses had not, in his opinion, taken the necessary steps to assist those now in need, S.C.A.O.s be interchanged between the "have" and "have-not" provinces.

The D.A.D. mentioned, as an example of inequitable distribution, that one Province was now granting to its own inhabitants more than the maximum permitted ration of bread and pasta, which was in fact double the weighted average of the Island.

The D.E.S. strongly recommended that a greater control be exercised by this H.Q. over S.C.A.O.s.

General discussion ensued on the supply situation with particular reference to the province of Messina and Trapani.

139.

Reorganization of Agricultural Control. (Item 6 of Agenda).
The D.A.D. reviewed his memorandum (Appendix C to the Agenda). He reported that the main difficulties had arisen from the necessity for improvisation by AGOT personnel in the early stages. Consequently no uniformity existed, although it was badly needed. The D.C.L.O. pointed out the problems to be considered when contemplating the creation of new governmental units when not of an "ad hoc" character, but on a permanent basis.

The C.S.C. stated that he believed the decision should be postponed until the further development of the plan with the Legal Division had been completed. The final plan should be brought up at the next EXCO meeting. (Action D.C.L.O. and D.A.D.)

The D.A.D. recommended that certain existing institutions now not performing any useful function in the Agricultural field be dissolved and was authorized by the Council to prepare a list for submission to the Council (Action D.A.D.)

140. Release of Control over certain agricultural products and foodstuffs.

(Item 7 of Agenda)

The D.A.D. reviewed his report (Appendix D to the Agenda) and suggested that, as the only commodities now being in fact controlled by AGOT were wheat and olive oil future control be limited to bread, flour, olive oil and sugar. He further recommended that S.C.A.O.s be charged with the responsibility of fixing prices within maximum and minimum limits (See Para 6).

The Council approved the D.A.D.'s plan and the C.S.C. directed that steps be taken to issue a General Order to make it effective. (Action D.A.D.)

141. Public Safety Division Meetings. (Item 8 of Agenda)

Announcement was made of certain meetings planned by Public Safety Division,

The D.E.S. strongly recommended that a greater control be exercised by this H.Q. over S.C.A.O.s.

General discussion ensued on the supply situation with particular reference to the province of Messina and Trapani.

139. Reorganization of Agricultural Control. (Item 6 of Agenda).
The D.A.D. reviewed his memorandum (Appendix C to the Agenda). He reported that the main difficulties had arisen from the necessity for improvisation by MAGOT personnel in the early stages. Consequently no uniformity existed, although it was badly needed. The D.C.L.O. pointed out the problems to be considered when contemplating the creation of new governmental units which not of an "ad hoc" character, but on a permanent basis.
- The C.S.O. stated that he believed the decision should be postponed until the further development of the plan with the Legal Division had been completed. The final plan should be brought up at the next EXCO meeting. (Action D.C.L.O. and D.A.D.)
- The D.A.D. recommended that certain existing institutions now not performing any useful function in the agricultural field be dissolved and was authorized by the Council to prepare a list for submission to the Council (Action D.A.D.)
140. Release of Control over certain agricultural products and foodstuffs.
(Item 7 of Agenda)
The D.A.D. reviewed his report (Appendix D to the Agenda) and suggested that, as the only commodities now being in fact controlled by MAGOT were wheat and olive oil future control be limited to bread, flour, olive oil and sugar. He further recommended that S.C.A.O.s be charged with the responsibility of fixing prices within maximum and minimum limits (See Para 6).
- The Council approved the D.A.D.'s plan and the C.S.O. directed that steps be taken to issue a General Order to make it effective. (Action D.A.D.)
141. Public Safety Division Meetings. (Item 8 of Agenda).
Announcement was made of certain meetings planned by Public Safety Division, and the C.P.S. invited all Division Heads or their representatives who might be interested to attend these meetings.
142. Plan for Control of Inflation in Sicily. (Item 9 of Agenda).
Lt. Comdr. Southard was invited to review his Plan (Appendix A to the Agenda). He stated that he had drawn it with a view to the practicability of its enforcement by each division. Each division would be required to implement the details of that part of the program applicable to it. Lt. Comdr. Southard stated that as the Seventh and Eighth Armies withdrew from Sicily, some of the factors contributing to inflation would be reduced. The Plan was analysed by the Council and necessary action noted as follows:-

- 3 -

Par. 4 A. The C.P.S. drew attention to the multifarious trade and street-vendors' licenses etc. that had formerly been required in Sicily. He pointed out the difficulties that Finance Division would encounter in attempting to collect the revenue derived from these licenses and stated that he would make himself responsible for controlling their issuance and cooperating on the entire program with Finance Division.

(Action C.P.S. - D.C.F.O.)

Revenue.

The Finance Division was directed to report at the next meeting on the progress being made under Par. 4 A subsection No. 2 (Action D.C.F.O.)

Postal Savings.

Par. 4 B, subsection No. 2. Finance Division was directed to review cables from C.C.S. and to be responsible for the existence of a uniform policy on this subject at Headquarters. (Action D.C.F.O.)

Finance Division was further directed to ascertain from Major Head when Italian Post Offices will be reopened. (Action D.C.F.O.)

Wages - Par. 4 C.

Labor Division was directed to continue its present anti-inflation efforts and to carry out all the proposals applicable to it which were contained in the plan.

(Action D.L.D.)

Continued appeals to troops

Par. 4 D - Comdr. Southard expressed his doubts as to the efficacy of further action in this respect. The C.S.O. Agreed.

Price and Rationing Enforcement. Par. 5 A - subsection No. 1.

The C.P.S. reported that all steps authorized by the directives, Proclamations and General Orders issued thus far were now being taken by him.

Supervision of distribution channels for commodities (Par. 5 B). The C.P.S. reported that every effort was being exerted to accomplish the desired results.

Ration level policy. (Par 5 C). It was reported that every effort was being exerted to carry out this proposal.

Limiting number of dealers. (Par. 5 D) After discussion, it was recommended that Public Safety Division and Agriculture Division formulate a joint policy on the subject. The Council agreed. (Action C.P.S. and D.A.D.)

Increase of Transportation Facilities. (Par. 5 E)

The D.E.S. (Acting) reported that every effort was being made to secure more transportation.

Imports. (Par. 5 F) The desired action was being taken.

reference Par. 5 G the Public Welfare Section was directed to report on the possibility of re-opening amusement centres. In this connection

C.C.S. and to be responsible for the existence of a uniform policy on this subject at Headquarters. (Action D.C.F.O.)

Finance Division was further directed to ascertain from Major Head when Italian Post Offices will be reopened. (Action D.C.F.O.)

Mares - Par. 4 C.

Labour Division was directed to continue its present anti-inflation efforts and to carry out all the proposals applicable to it which were contained in the plan.

(Action D.L.D.)

Continued appeals to troops

Par. 4 D - Comdr. Southard expressed his doubts as to the efficacy of further action in this respect. The C.S.O. Agreed.

Price and Rationing Enforcement. Par. 5 A - subsection No. 1.

The C.P.S. reported that all steps authorized by the directives, Proclamations and General Orders issued thus far were now being taken by him.

Supervision of distribution channels for commodities (Par. 5 B). The C.P.S. reported that every effort was being exerted to accomplish the desired results.

Ration level policy. (Par 5 C). It was reported that every effort was being exerted to carry out this proposal.

Limiting number of dealers. (Par. 5 D) After discussion, it was recommended that Public Safety Division and Agriculture Division formulate a joint policy on the subject. The Council agreed. (Action C.P.S. and D.A.D.)

Increase of Transportation Facilities. (Par. 5 E)

The D.E.S. (Acting) reported that every effort was being made to secure more transportation.

Imports. (Par. 5 F) The desired action was being taken.

In reference Par. 5 G the Public Welfare Section was directed to report on the possibility of re-opening amusement centres. In this connection the D.T.C.U. reminded the Council of the electric power shortage. (Action D.P.H.)

Price Index (Par. 6)

Comdr. Southard was directed to discuss this further with Public Health Division, Finance Division and Labor Division. (Action D.P.H.)

(D.C.F.O. & D.L.D.)

Comdr. Southard's report was approved by the Council and all concerned were directed to have action reports at the next meeting of the Council. Comdr. Southard was invited to attend the meeting.

143. The C.S.O. reported that Major Gayre, Educational Adviser, was ill and brought the outline (Appendix B to the Agenda) submitted by the Educational Adviser to the attention of the Council.

- 4 -

144. In the course of discussion on Price and Rationing enforcement the C.P.S. recommended that one Division in this H.Q. be charged with the responsibility for delivering and posting of all Proclamations and General Orders.
(Action C.S.O.)
145. The meeting was adjourned at 1700 hours.

Distribution:

C.C.A.C.	D.C.T.U.
D.C.C.A.C.	D.A.D.
C.S.O.	D.L.D.
C.P.S.	Secretary (2)
D.P.H.	File
C.F.O.	Float
D.E.S. Acting	War Diary
C.L.O.	Spares (10)
C.P.	

for *John van Heukelom*
Carel van Heukelom,
1st Lt. A.C.,
Secretary, Executive Council
AMGOT.

AMGOT HEADQUARTERS

30th September 1943

A G E N D A

13th Meeting of the Executive Council to be held at 1500 hrs
1st October, 1943, in the Conference Room.

1. Minutes of the last meeting.
2. Policy as to authority for release of persons taken into custody by Allied Forces or Military Government authorities. (C.S.O.)
3. Re-establishment of Prefects Council and Provincial Giunta. (C.S.O.)
4. Labor Division. Policy on revision of wages for employees of private employers throughout the Island. (D.L.D.)
5. Policy as to rotation of S.C.A.O.s. (D.E.S. Acting)
6. Reorganization of Agricultural Control. (D.A.D.) APPENDIX "C"
7. Release of control on certain agricultural products and foodstuffs. (D.A.D.) APPENDIX "D"
8. Public Safety Meetings - announcement.
(i) Questori CC.RR. Barracks 1000 hrs 5th October 1943.
(ii) S.C.A.P.O.s H.Q. Conference Room 1000 hrs 6th October 1943.
(iii) Prison Directors, Palermo Prison, 1000 hrs 6th October 1943
9. Plan for control of inflation in Sicily. (Lt. Col. Southard) APPENDIX "A".
10. Report by Educational Adviser. (C.S.O.) APPENDIX "B".

Carl van Heekelen
CARL VAN HEKELEN,
1st Lt A.C.
Secretary - Executive Council,
AMGOT.

DISTRIBUTION:-

C.C.A.O.
D.C.C.A.O.
C.S.O.
C.P.S.
D.P.H.
C.F.O.

D.E.S. Acting
C.L.O.
C.P.
D.C.T.D.
D.A.D.
D.L.D.

Secretary
File
Float
War Diary ✓
Spurs 10

2477

APPENDIX "A"

Program for Inflation Control in AMG Territory.

1. The following program is submitted in response to instructions given by EPOC on 13 September. It has been discussed with many AMG officers, and has been approved in its entirety by the CPO, the CIO, the DCO, the DCS, and the Superintendent of Police.
2. As much as by any other criterion, the AMG will be judged by the resoluteness, capacity, and energy with which it attacks the inflation situation in Sicily. No military government can emerge introducing into the territory it occupies a considerable increase in money in circulation. But if, having done so, a military government is dilatory, unenergetic, and ineffect in its attack on inflation, it will receive harsh censure both at home and abroad. It does not appear that the AMG, on the basis of its record to date, will escape such censure.
3. The inflation danger in Sicily is a function of two factors:
 - (a) The very large and continuing increase in money in circulation, amounting possibly to 30 per cent per month, and the disruption of normal saving and tax channels.
 - (b) The critically-short supply, due to absolute scarcity, to withholding by producers, and possibly to hoarding by consumers.

An inflation-control program must attack both sides of the exchange equation: spending and supply.
4. The following program to reduce spending is either underway or is hereby recommended.

(1) Tax revenues should be increased.

- (1) The present revenue program, which is excellent and should be pushed as rapidly as possible, is tri-partite: (a) Prompt restoration of all revenue services and no interference with collection machinery or tax laws except by Island-wide order. (b) Reopening of the tobacco monopoly, and review of the prices charged; they are now low and consequently yield a relatively small revenue. (c) Reopening of the lottery as soon as policy considerations permit.
- (2) Except for the income tax, the major taxes imposed in Sicily are not ad valorem, but are based on fixed rates per quantum. This will result in failure of revenues to keep pace with rising prices and will prevent the program from being of material assistance in inflation control. Tax rates should be reviewed (enlisting the services of local experts) and probably increased insofar as the AMG is permitted by international law to do so. The opinion is that existing tax rates may be raised, on a reasonable basis, to provide for general changes in economic conditions arising since the commencement of the occupation and the necessity to meet the realities of the economic situation for the purpose of insuring public order and safety in accordance with Article 43 of the Hague Convention. It is recognized that increased consumption taxes will put a heavy burden on people not sharing in increased purchasing power. It may therefore be desirable in particular to consider increasing the rate of income taxation.

such course.

3. The inflation danger in Sicily is a function of two factors:

- (a) The very large and continuing increase in money in circulation, amounting possibly to 30 per cent per month, and the disruption of normal savings and tax channels.
- (b) The critically-short supply, due to absolute scarcity, to withholding by producers, and possibly to hoarding by consumers.

An inflation-control program must attack both sides of the exchange equation: spending and supply.

4. The following program to reduce spending is either underway or is hereby recommended.

(a) Tax revenues should be increased.

(1) The present revenue program, which is excellent and should be pushed as rapidly as possible, is tripartite: (a) Prompt restoration of all revenue services and no interference with collection machinery or tax laws enacted by Island-wide order. (b) Reopening of the tobacco monopoly, and review of the prices charged; they are now low and consequently yield a relatively small revenue. (c) Reopening of the lottery as soon as policy considerations permit.

(2) Except for the income tax, the major taxes imposed in Sicily are not ad valorem, but are based on fixed rates per quantum. This will result in failure of revenues to keep pace with rising prices and will prevent the program from being of material assistance in inflation control. Tax rates should be reviewed (enlisting the services of local experts) and probably increased insofar as the AMG is permitted by international law to do so. The opinion is that existing tax rates may be raised, on a reasonable basis, to provide for general changes in economic conditions arising since the commencement of the occupation and the necessity to meet the realities of the economic situation for the purpose of insuring public order and safety in accordance with Article 45 of the Hague Convention. It is recognized that increasing of consumption taxes will put a heavy burden on people not sharing in increased purchasing power. It may therefore be desirable in particular to consider increasing the rate of income taxation.

(b) Restore savings channels.

(1) The banks are now open throughout the Island on a restricted basis, and it is likely that restrictions can shortly be lifted. Therefore the

largest channel of saving has been restored.

(2) It is desirable to reopen the Postal Savings System as soon as possible, although there are some difficulties in the way of imperfect records, and in addition the OSS has not so far consented to the recognition of State debt which would be involved. This whole matter is under review and should be pushed.

(3) The social insurance deductions are being made. As to private insurance, it has not been very important in Sicily, and inasmuch as there are serious technical (but not, apparently, legal) difficulties to the operation of truncated insurance agencies, it is unlikely that this savings channel can be opened until the head offices of the companies are accessible.

(c) Resist pressure for wages increases.

The whole question of wage readjustments, inevitably raised during a period of rising living costs, is dependant for answer on the success with which price increases are resisted. If the official AIG-price level can be maintained, wage increases can probably be held down to the readjustments made necessary by the fact that the AIG-price level itself represents an increase over the Italian official level. This latter was not successfully enforced, but it was apparently a powerful factor in wage determination.

A uniform island-wide wage scale governing civilians employed by the Armed Forces has just been completed, and results in revisions downward of the current Armed-Forces wage scale in probably 90 per cent of the categories of labor. A survey is now being made of wage rates for other than military labor, which will probably result in readjustments early in October, generally moderately upward but not in all cases.

Continuance of the present policy - i.e., to permit wage increases only where cost-of-living increases compel them - is probably all that can be expected in connection with inflation control.

(d) Continue appeals to troops to use discretion in local spending.

The Stars and Stripes has cooperated in this connection, and presumably the 8th Army newspaper has done so also. The effect is probably small, but for what it is worth both bodies should be asked to reiterate, in the General Orders or in some other way, the unfortunate consequences (for all concerned) of reckless spending.

2.5. The following program to improve the supply situation is either underway or is hereby recommended.

(a) Enforce all price and rationing orders, especially General Order 4.

(1) Every establishment, no matter how small, should be at once

785015

(c) Resist pressure for wages increases.

The whole question of wage readjustments, inevitably raised during a period of rising living costs, is dependent for answer on the success with which price increases are resisted. If the official AIG-price level can be maintained, wage increases can probably be held down to the readjustments made necessary by the fact that the AIG-price level itself represents an increase over the Italian official level. This latter was not successfully enforced, but it was apparently a powerful factor in wage determination.

A uniform Island-wide wage scale governing civilians employed by the Armed Forces has just been completed, and results in revisions downward of the current Armed-Forces wage scale in probably 90 per cent of the categories of labor. A survey is now being made of wage rates for other than military labor, which will probably result in readjustments early in October, generally moderately upward but not in all cases.

Continuance of the present policy - i.e., to permit wage increases only where cost-of-living increases compel them - is probably all that can be expected in connection with inflation control.

(d) Continue efforts to troops to use discretion in local spending.

The Stars and Stripes has cooperated in this connection, and presumably the 8th Army newspaper has done so also. The effect is probably small, but for what it is worth both armies should be asked to reiterate, in the General Orders or in some other way, the unfortunate consequences (for all concerned) of reckless spending.

13.5. The following program to improve the supply situation is either underway or is hereby recommended.

(a) Effectively enforce all price and rationing orders, especially General Order 1.

(1) Every establishment, no matter how small, should be at once required to post prominently either the prescribed or its own price list, as is appropriate under existing AIG regulations, and should be required in addition to mark plainly in live the prices of all articles offered for sale.

(2) Consideration should be given to using the Guardia di Finanza as a price-enforcement agency, supported by "shy. ops" or price checkers.

(5)

(3) Stocks should be confiscated and/or shops closed in all cases of violations, and in the latter case bilingual signs in explanation should be prominently posted.

(4) Penalties imposed after guilt is determined should be severe no matter how unimportant the defendant. Street vendors in the aggregate can pull in tremendous sum of money and contribute very effectively to inflation. Now is there any reason to allow hole-in-the-wall laundries, e.g., to victimize soldiers merely because they are regarded as "too small to worry about".

(b) Continue the systematic supervision of distribution channels for major commodities, notably wheat and olive oil.

The program now getting underway is excellently conceived and should yield results if it is prosecuted relentlessly. If the major leaks along the line from harvest to bakery, in the case of wheat, can be stopped up, the black market will be partly strangled. To a considerable extent - though not entirely - legal and black-market channels are identical. Therefore rigorous supervision of legal distribution of grain, flour, bread, and olive oil should simultaneously serve to detect blackmarket operators.

(c) Follow a policy of setting rations at as high a level as the available supplies permit.

As long as rations are below the amount normally consumed, there is obviously a strong incentive to patronize the black market. Rationing cannot, of course, be avoided as long as supplies are short. But the permitted rations should always be as liberal as available supplies make possible.

(d) Limit the number of dealers.

One enforcement difficulty arises from the fact that even in the breadstuffs industry there are numerous small and unreliable firms (bakeries, mills, etc.) Anything which can be done to channel the bulk of the trade into the hands of larger units will aid enforcement.

(e) Increase as much and as soon as possible the transport available to the civilian economy.

Transport shortage adversely affects the supply situation and consequently is a factor in price increases. As rapidly as military exigencies permit, motor transport should be returned to civilian use. There has apparently been a considerable amount of indiscriminate requisitioning and even seizure of private transport. Everything possible should be done to reduce such practices to a minimum.

(f) Import basic commodities such as wheat and sugar for resale.

It is recognized that this action gives rise to serious policy problems. But there are two reasons why it would be helpful. One, as everyone knows, is that it will weaken the speculative forces now maintaining the black market. The second is that it will give farmers a greater incentive to sell their surplus. The second reason is that it will give farmers a greater incentive to sell their surplus. The second reason is that it will give farmers a greater incentive to sell their surplus.

The program now getting underway is excellently conceived and should yield results if it is prosecuted relentlessly. If the major leaks along the line from harvest to millery, in the case of wheat, can be stopped up, the black market will be partly strangled. To a considerable extent - though not entirely - legal and black-market channels are identical. Therefore rigorous supervision of legal distribution of grain, flour, bread, and olive oil should simultaneously serve to detect black-market operators.

(c) Follow a policy of setting rations at as high a level as the available supplies permit.

As long as rations are below the amount normally consumed, there is obviously a strong incentive to patronize the black market. Rationing cannot, of course, be avoided as long as supplies are short. But the permitted rations should always be as liberal as available supplies make possible.

(d) Limit the number of dealers.

One enforcement difficulty arises from the fact that even in the breadstuffs industry there are numerous small and unreliable firms (bakeries, mills, etc.) Anything which can be done to channel the bulk of the trade into the hands of larger units will aid enforcement.

(e) Increase as much and as soon as possible the transport available to the civilian economy.

Transport shortage adversely affects the supply situation and consequently is a factor in price increases. As rapidly as military exigencies permit, motor transport should be returned to civilian use. There has apparently been a considerable amount of indiscriminate requisitioning and even seizure of private transport. Everything possible should be done to reduce such practices to a minimum.

(f) Import basic commodities such as wheat and sugar for resale.

It is recognized that this action gives rise to serious policy problems. But there are two reasons why it would be helpful. One is everyone knows, is that it will weaken the speculative forces now maintaining the black market. The second is that it will give farmers a greater incentive to sell their crops if they can buy some coveted article such as sugar with the money they obtain. In many countries under similar circumstances it has been the common experience that farmers prefer to hold commodities instead of money.

(4)

(E) Direct consumption into less-source channels.

There may be little to choose from among the universally-source commodities in Sicily. But if, for example there is an ample supply of building stone, mortar, and tile, it might be desirable to encourage people to begin rebuilding their houses, arranging loans in the form of a mortgage on the value of the money. The inflationary effect of the resulting payroll increase will in large part be counteracted by the reduction in the relief rolls.

6. Construct and maintain a price index covering the Occupied Territory.

It will be possible to measure MIG's success in controlling inflation and in eliminating the black market only if a simple but accurate price index can be set up and maintained on at least a semi-monthly basis. It is entirely feasible to construct a 15 commodity index, with prices reported from, say, Palermo, Catania, Agrigento, Ragusa, and Trapani. This would yield both sectional and island-wide indices. The indices should relate to effective prices, whether official or blackmarket. The reporting procedure could not be trusted to Civil Servants for obvious reasons. But it should be feasible for the FO's to find two or three dependable persons - preferably housewives - who would report to him what they must currently pay for 15 common articles, according to a simple schedule which MIG would supply. This is urgently recommended. Preliminary work on such an index is well advanced.

Frank L. Southard, Jr.

AMGOT HEADQUARTERS

APPENDIX 'B'

30th September 1943

Brief outline of complete plans now being prepared by Major G.R. GAYRE, Educational Adviser.

1. Re-opening of Schools.

This is dependent upon

- (a) clearing the schools of troops and refugees and rebuilding. A plan has been sent out for a survey by Educational Committees in each province.
- (b) A complete investigation of all existing text books. Most of these will have to be recalled and new ones written and published as soon as possible.

2. Re-opening of Universities is being investigated, priority being given to medical and veterinary faculties.

3. Investigation of the antecedents of all teachers and professors is to take place with the cooperation of Major Raffa's questionnaire.

4. A system for controlling the financial demands of institutions has been evolved with the Financial Division, and these are now to be put into operation.

5. A letter has been sent out to S.C.A.O.s telling them that in the case of vacancies for higher educational appointments (Provveditori agli Studi, Rectors of Universities and University Professors) they are to notify the Educational Adviser. He will then be able to look into these matters and so relieve S.C.A.O.s of this task, which often raises questions of an educational and technical nature.

APPENDIX "C"
Proposed Scheme For The Reorganization of Agricultural
Control in Italy.

1. There will be appointed in each Province, a native Controller of Agriculture. He will answer to, and derive his authority from, the S.C.A.O.

2. The Provincial Controller of Agriculture will have a staff and organization for the purpose of directing all agricultural and food rationing activities in the Province. These activities will be divided between three organizations to be known as:

- (a) Consorzio Agrario Provinciale.
- (b) Cattedra Provinciale dell'Agricoltura.
- (c) Ufficio Provinciale Approvvigionamento.

These bodies will set up such provincial and communal organizations as are considered necessary for effective functioning.

3. All existing provincial agricultural and food rationing organizations will cease to exercise any of their former functions. These functions will be allocated to one of the three organizations referred to in the previous paragraph.

4. The Consorzio Agrario Provinciale will be organized so that its activities as a voluntary cooperative concern shall be allowed to continue. In addition it will exercise any necessary function for the control of the collection of and payment for such agricultural commodities as it is desired shall be subject to such control. To cover the expense of exercising these functions of control, it will be reimbursed by a levy on the price of wheat paid by the miller.

5. The Cattedra Provinciale dell'Agricoltura will take over the functions of the former Ispettorato Provinciale dell'Agricoltura. Its duties will be essentially technical and instructional, it will be responsible for the collection of statistical records and for the dissemination of data, information and technical advice for the improvement of methods of cultivation and of processing of agricultural commodities.

6. The Ufficio Provinciale Approvvigionamento will take over at suitable points, control of foodstuffs subject to rationing. It will be responsible for the organization of the rationing system and of retail price control of food in the Province.

7. The functions of other organizations concerned with agriculture and rationing will be apportioned, in so far as it is considered necessary that the particular functions should be continued, to that one of the three bodies referred to in paragraph 2, best suited to absorb them.

8. The consideration in detail of the allocation of functions will be the subject of a separate memorandum.

9. The organization of agricultural and food rationing above the Provincial level will be the subject of a separate memorandum.

the States will be up such provincial and central organizations necessary for effective functioning.

3. All existing provincial agricultural and food rationing organizations will cease to exercise any of their former functions. These functions will be allocated to one of the three organizations referred to in the previous paragraph.

4. The Consorzio Agrario Provinciale will be organized so that its activities as a voluntary cooperative concern shall be allowed to continue. In addition it will exercise any necessary function for the control of the collection of and payment for such agricultural commodities as it is desired shall be subject to such control. To cover the expense of exercising these functions of control, it will be reimbursed by a levy on the price of wheat paid by the miller.

5. The Cattedra Provinciale dell'Agricoltura will take over the functions of the former Ispettorato Provinciale dell'Agricoltura. Its duties will be essentially technical and instructional, it will be responsible for the collection of statistical records and for the dissemination of data, information and technical advice for the improvement of methods of cultivation and of processing of agricultural commodities.

6. The Ufficio Provinciale Approvvigionamento will take over at suitable points, control of foodstuffs subject to rationing. It will be responsible for the organization of the rationing system and of retail price control of food in the Province.

7. The functions of other organizations concerned with agriculture and rationing will be apportioned, in so far as it is considered necessary that the particular functions should be continued, to that one of the three bodies referred to in paragraph 2, best suited to absorb them.

8. The consideration in detail of the allocation of functions will be the subject of a separate memorandum.

9. The organization of agriculture and food rationing above the Provincial level will be in the hands of the Director of Agriculture division at MIOT R.O. He will have under him, a native staff and organization for the purpose. This staff will be so arranged that it will have among its other officials, divisional heads corresponding to the three provincial bodies. Routine matters will be channelled directly between these divisional heads and the respective heads of the provincial organizations and the Italian language will normally be employed in communications.

10. All communications in connection with policy and matters not of a routine nature will be channelled through the S.C.O. and MIOT HQ., in the normal manner.

2473

AMGOT HEADQUARTERSAPPENDIX 'D'

30th September 1943.

CONTROL OF AGRICULTURAL COMMODITIES.

1. The imposition of a system of physical and price control of practically all agricultural commodities was not instituted in Italy till 1942. The hesitation shown by the Government in applying this control was in no small measure due to the recognition of the fact that Italians, particularly in the South and in the Islands, were not amenable to bureaucratic control. The attempt to make the scheme effective involved a number of organizations exercising numerous, varied, and complicated functions. At practically every stage in the control there was room for individual fraud and collusion between officials and others. The inherent ability of the Italian to find loopholes in the law gave rise to evasion on a considerable scale. The intricate system of control on paper failed to provide effective control in practice, and the existence of the black market came to be relied on universally as an essential source of supply. Measures taken for its suppression were ineffective and the general recognition of the failure of these measures was in itself a stimulant to the extension of black market activities.

2. The continued exercise of control under AMGOT will depend eventually on the native official. The greatest care exercised in his selection will probably be successful in filling the higher posts with honest, able and efficient men. Among the lower grades of officials, however, the qualities desired will not generally be available, and it was in the lower portion of the control system that the former administration was weakest. There is, it is submitted, no practicable means of strengthening it with the material available.

3. After inquiry, consultation, discussion and considerable reflection, one is forced to the conclusion that AMGOT is not likely to be more successful in effecting control than was the former administration. If that conclusion is sound, then it has to be decided what courses are open. They are:-

- a. Accept the position that we must retain control and use methods of system existing previous to our occupation.
- b. Attempt to obtain more effective control by amending or extending the system, by the imposition of severe exemplary punishment, by replacement of inefficient officials, and by other similar methods.
- c. Abolish control except where absolutely necessary.
- d. The course of action in 3(a) cannot, it is suggested, be continued. ~~WE~~ should probably have to admit failure within a short time and this would be politically reprehensible. 3(b) may provide a remedy but certainly not a complete one. Further, it may necessitate considerable increase of AMGOT staff and may therefore be impracticable.

5. It is submitted that a control of the whole range of agricultural products is doomed to failure and that it may be possible to control reasonably effectively

Italian to find loopholes in the law gave rise to evasion on a considerable scale. The intricate system of control on paper failed to provide effective control in practice, and the existence of the black market came to be relied on universally as an essential source of supply. Measures taken for its suppression were ineffective and the general recognition of the failure of these measures was in itself a stimulant to the extension of black market activities.

2. The continued exercise of control under AUGOT will depend eventually on the native official. The greatest care exercised in his selection will probably be successful in filling the higher posts with honest, able and efficient men. Among the lower grades of officials, however, the qualities desired will not generally be available, and it was in the lower portion of the control system that the former administration was weakest. There is, it is submitted, no practicable means of strengthening it with the material available.

3. After inquiry, consultation, discussion and considerable reflection, one is forced to the conclusion that AUGOT is not likely to be more successful in effecting control than was the former administration. If that conclusion is sound, then it has to be decided what courses are open. They are:-

a. Accept the position that we must retain control and use methods of system existing previous to our occupation.

b. Attempt to obtain more effective control by amending or extending the system, by the imposition of severe exemplary punishment, by replacement of inefficient officials, and by other similar methods.

c. Abolish control except where absolutely necessary.

4. The course of action in 3(c) cannot, it is suggested, be continued. ^{WE} should probably have to admit failure within a short time and this would be politically reprehensible. 3(b) may provide a remedy but certainly not a complete one. Further, it may necessitate considerable increase of AUGOT staff and may therefore be impracticable.

5. It is submitted that a control of the whole range of agricultural products is doomed to failure and that it may be possible to control reasonably effectively a limited number of products. Unfortunately, the supply position will not allow of a general release of all commodities from control, and it is therefore submitted that some control be retained, but only in the commodities and manner set out in the following paragraphs.

6. The only practical method of ensuring an equitable distribution of commodities in short supply is by rationing. It is, however, suggested that the list of rationed agricultural products and derivatives be strictly limited to absolutely essential articles of consumption. The list for the present should be confined to bread, flour, pasta, olive oil, and sugar. The maximum ration for each commodity for each province, depending on the supply position, should be advised confidentially to each S.C.A.O. who should be permitted to fix a ration within these limits which he feels could be honoured. The ration would be subject to periodical revision according to the supply position.

7. Wheat, bread, flour and pasta. We have already taken our stand on these, and it is suggested that the former system of physical control be retained. In view of experience gained since the issue of General Order No. 3, it is suggested ⁴⁴⁷²

a subsidy common to the whole country be granted on wheat, but that the retail prices of bread, flour and pasta be fixed for various communes by the S.C.A.C. according to the different costs of production and distribution.

8. Olive Oil. It is unfortunate that this commodity can be hoarded and the risk in freeing such an important article of diet is too great to be taken. It is submitted that the former method of control should be continued. The price for the new crop should, however, be fixed sufficiently high to ensure the surrender of the crop. If necessary, it should be subsidized.

9. Meat. Prices should be fixed at the retail level only and free competition allowed up to that point. Retail price levels should be fixed so that the differential will attract requisite supplies to deficiency areas and should be subject to agreement by the S.C.A.C.s of adjoining provinces.

10. Sugar. Distribution and price should be controlled from factory (or port, if imported) to consumer by the Sezione D'Alimentazione (or its successor). It is anticipated that when the plain of Lombardy is occupied and subject to transport facilities being available, this commodity may be removed from all control.

11. Milk. No control should be exercised at the place of production and the farmer should be allowed to dispose of his supplies freely. Sales in bulk, however, for town supply, should be at fixed prices to farmers and the retail price should be fixed to allow the necessary margins for transport, etc. There should be no rationing, but provision should be made for preference for certain categories of consumers (e.g. children, nursing mothers, etc.) Compulsory pasteurization for town supplies is recommended.

Pearled Barley, rice, maize meal, fruits, vegetables (fresh and dried), cheese, eggs and fish. There should be a maximum retail price control only. This should be varied according to the supply position and varied also between areas differentially to attract supplies to deficiency areas. Competition between S.C.A.C.s for products in short supply must be avoided.

12. Cotton. This commodity was grown on government instructions at an agreed price for the product. This agreement should be honoured preferably by purchase. The disposal of the crop can be left for future consideration.

13. All other agricultural commodities and derivatives, except those referred to above, should be released entirely from control.

14. The effect of creating a free market may, in some cases, result in price increases, but not as high as may be anticipated. The payment for risks taken in black market transactions formed a very considerable proportion of the price differential and it is therefore expected that free market levels would, as a whole, be reasonable. There may, of course, be cases of hardship or unfairness, but generally speaking, the consumer will benefit. The cost of his goods on the free market will almost certainly be below the average cost of his former purchases in the controlled and black markets. The undesirable effects of freeing the market in some commodities now controlled are to be preferred to the continued practices, individual fraud, and collusion now proceeding at the expense of the community. It may be considered that, in addition to the economic considerations, it is also

subject to agreement by the S.C.A.C.s of adjoining provinces.

10. Sugar. Distribution and price should be controlled from factory (or port, if imported) to consumer by the Sezione D'alimentazione (or its successor). It is anticipated that when the plain of Lombardy is occupied and subject to transport facilities being available, this commodity may be removed from all control.

11. Milk. No control should be exercised at the place of production and the farmer should be allowed to dispose of his supplies freely. Sales in bulk, however, for town supply, should be at fixed prices to farmers and the retail price should be fixed to allow the necessary margins for transport, etc. There should be no rationing, but provision should be made for preference for certain categories of consumers (e.g. children, nursing mothers, etc.) Compulsory pasteurization for town supplies is recommended.

Pearled barley, rice, maize meal, fruits, vegetables (fresh and dried), cheese, eggs and fish. There should be a maximum retail price control only. This should be varied according to the supply position and varied also between areas differentially to attract supplies to deficiency areas. Competition between S.C.A.C.s for products in short supply must be avoided.

12. Cotton. This commodity was grown on government instructions at an agreed price for the product. This agreement should be honoured preferably by purchase. The disposal of the crop can be left for future consideration.

13. All other agricultural commodities and derivatives, except those referred to above, should be released entirely from control.

14. The effect of creating a free market may, in some cases, result in price increases, but not as high as may be anticipated. The payment for risks taken in black market transactions formed a very considerable proportion of the price differential and it is therefore expected that free market levels would, as a whole, be reasonable. There may, of course, be cases of hardship or unfairness, but generally speaking, the consumer will benefit. The cost of his goods on the free market will almost certainly be below the average cost of his former purchases in the controlled and black markets. The undesirable effects of freeing the market in some commodities now controlled are to be preferred to the continued malpractices, individual fraud, and collusion now proceeding at the expense of the community. It may be considered that, in addition to the economic considerations, it is also politically desirable to free commercial activities from control as soon as possible, owing to the association of the idea of control with fascist administration. The relief which will be felt on the removal of restrictions will be very considerable and generally appreciated.

15. If the above suggestions are agreed in principle, details of administration can be worked out and immediate action taken to put the scheme into effect. In many cases the necessity for a decision has become one of urgency. The recommendations made are applicable to the mainland.

785015

ALB, MOD
MAGOT H.Q.

Minutes of
The 12th Meeting of the Executive Council
24. Sept. 1943.

MOST SECRET

26. Sept. 43

Present:
Major-General Lord Rennell.
Colonel Bolles
Colonel Cheyne
Colonel Crafftey-Smith
Colonel Stifford
Colonel Zellars
Lt. Col. Chanler
Capt. Bovard
Lieut. van Houkelon

C.C.A.O.
C.P.S.
D.P.H.
C.F.O.
C.S.O.
D.C.S.R.
C.L.O.
D.C.P.
Secretary.

126. The Meeting was called to order by the C.C.A.O. at 1500 hours.
127. ECCO. (Item No. 123 of Minutes previous meeting.)
The minutes were discussed and it was agreed that ECCO's status was quite clearly understood by all members of ECCO as well as EPCO.
128. The Labor Plan. (Item No. 124 of Minutes of previous meeting.)
The present progress of the Labor Plan was reported by the C.S.O.
129. Reorganization of Civilian Supply Division. (Item No. 2 on Agenda)
The C.S.O. summarised the reasons for the decision to split up this Division. Its recent growth had been greater than originally anticipated, and its duties and responsibilities covered a considerably larger field than contemplated, so that it was thought advisable to split the Division into 5 Sections as proposed in Appendix "A" to the Agenda.
- The advisability of having "B" and "C" (Civilian Transport Division and Communications, Utilities and Public Works Division) merged as one Division was discussed. The C.C.A.O. was of the opinion that it would be advantageous to have the functions of these two proposed Divisions combined in one Division at least to begin with. With this change, the proposed order was approved by the Council. (See Appendix "A"). (Action C.S.O.)
130. Policy reference fascists since Armistice. (Item No. 5 Agenda).
The C.P.S. asked whether there was any change in present policy in view of the Armistice. The C.C.A.O. replied in the negative.

The C.C.A.O. requested that a short memorandum on Internees showing the totals now held in each category be submitted to him. (Action C.P.S. 4/4/43)

131. Authority for release of Civilian Internees.
The C.P.S. brought up as a matter of policy the question of responsibility for the release of such prisoners. The C.C.A.O. confirmed that it was his (the

U.S.G.
D.C.P.
Secretary.

126. The Meeting was called to order by the C.C.A.O. at 1500 hours.

127. EXCO. (Item No. 123 of Minutes previous meeting.) The minutes were discussed and it was agreed that EXCO's status was quite clearly understood by all members of EXCO as well as EXCO.

128. The Labor Plan. (Item No. 124 of Minutes of previous meeting.) The present progress of the Labor Plan was reported by the C.S.O.

129. Reorganization of Civilian Supply Division. (Item No. 2 on Agenda.) The C.S.O. summarized the reasons for the decision to split up this Division. Its recent growth had been greater than originally anticipated, and its duties and responsibilities covered a considerably larger field than contemplated, so that it was thought advisable to split the Division into 3 Sections as proposed in Appendix "A" to the Agenda.

The advisability of moving "B" and "C" (Civilian Transport Division and Communications, Utilities and Public Works Division) merged as one Division was discussed. The C.C.A.O. was of the opinion that it would be advantageous to have the functions of these two proposed Divisions combined in one Division at least to begin with. With this change, the proposed order was approved by the Council. (See Appendix "A"). (Action C.S.O.)

130. Policy reference fascists since Armistice. (Item No. 3 Agenda.) The C.P.S. asked whether there was any change in present policy in view of the Armistice. The C.C.A.O. replied in the negative.

The C.C.A.O. requested that a short memorandum on Internees should be submitted to him. (Action C.P.S. 4271)

131. Authority for release of Civilian Internees. The C.P.S. brought up as a matter of policy the question of responsibility for the release of such prisoners. The C.C.A.O. confirmed that it was his (the C.C.A.O.'s) responsibility.

The C.P.S. asked for confirmation of his understanding as to release of (i) Civilian criminals and persons confined for violation of Proclamations, (ii) Prisoners confined by Fascist regime, or those civilians interned by a.I. authority who may not be held for more than 3 months without formal charge, (iii) Persons taken into custody by Allied Forces or Military Government authorities.

The C.P.S.'s understanding that (i) could be released by the court having final jurisdiction, was confirmed by the C.C.A.O. as correct. The C.P.S.'s understanding that those prisoners in (ii) could be released after review by the C.I.O. was confirmed by the C.C.A.O. as correct, and the C.P.S.'s understanding that those prisoners in Category (iii) could only be released by authority of the C.C.A.O. was also confirmed by the C.C.A.O. as correct.

- 2 -

132. The meeting was adjourned at 1600 hours.

DISTRIBUTION:-

C.C.A.O.
D.C.C.A.O.
C.S.O.
D.C.S.O.
Heads of Divisions.
Secretary.
File.
Fleet.
War Diary.
Spars 6.

Carol van Heukelom,
1st Lt. A.C.,
Secretary, Executive Council.
HIGOT.

785015

SUBJECT:-- Reorganization of Civilian Supply Division.

AMCOT/213/HQ.
AMCOT H.Q. SICILY.
25. Sept. 43.

TO :-- All Concerned.

1. Effective immediately the civilian Supply Division will be reorganized. The previous functions of the Division will be divided among the following Divisions which are hereby established :

- (a) Economics and Supply Division.
- (b) Transportation, Communication, and Utilities Division.
- (c) Agriculture Division.
- (d) Labor Division.

2. The particular functions of these Divisions will be as follows :--

(a) Economics and Supply Division: This division shall be responsible for estimating and meeting essential civilian requirements; for supervising the rationing system of the territory, other than in respect of agricultural products; for the survey, development and control of natural resources of the territory, other than agricultural resources, to the extent required by the interests of the Allied Forces or the economy of the territory; for supervising price control, other than in respect of agricultural products; for the development and regulation of industrial and commercial enterprises and activities, other than those engaged in furnishing transportation, communication, or utility services; and in general for taking necessary measures to restore channels of supply and distribution and to rehabilitate the economy of the territory.

(b) Transportation, Communication and Utilities Division: This division shall be responsible for rehabilitating and maintaining a system of civilian transport, whether by rail, water, highway or otherwise; for the regulation and control of existing civilian transport facilities or agencies; and for arranging transport required for civilian supply, mails, and civilian personnel, as may be required for the rehabilitation of the economy of the territory. This division will not be responsible for AMCOT organic transport, that is, for operation, maintenance or control of (i) British or American Army vehicles, (ii) civilian and captured vehicles required for transport of AMCOT personnel or property in addition to Army vehicles.

This division shall also be responsible for rehabilitating, and maintaining civil communications, and for the regulation and control of existing communication facilities, including telephone, telegraph, cables and radio; for the rehabilitation, regulation and control of electric, gas and water utilities; and for the rehabilitation and supervision of public works, including roads, bridges, water supply, sewers and sanitary facilities.

(c) Agriculture Division: This division shall be responsible for the supervision of agriculture, including cropping and production, methods for improvement of agriculture and processing of agricultural products; for rationing and price control of agricultural products; for estimating and meeting agricultural requirements; and in coordination with the Economics and Supply Division for the collection and distribution of all agricultural products and edible commodities; also for the

785015

(d) Labor Division.

2. The particular functions of these Divisions will be as follows :-

(a) Economics and Supply Division: This division shall be responsible for estimating and meeting essential civilian requirements; for supervising the rationing system of the territory, other than in respect of agricultural products; for the survey, development and control of natural resources of the territory, other than agricultural resources, to the extent required by the interests of the Allied Forces or the economy of the territory; for supervising price control, other than in respect of agricultural products; for the development and regulation of industrial and commercial enterprises and activities, other than those engaged in furnishing transportation, communication, or utility services; and in general for taking necessary measures to restore channels of supply and distribution and to rehabilitate the economy of the territory.

(b) Transportation, Communication and Utilities Division: This division shall be responsible for rehabilitating and maintaining a system of civilian transport, whether by rail, water, highway or otherwise; for the regulation and control of existing civilian transport facilities or agencies; and for arranging transport required for civilian supply, mails, and civilian personnel, as may be required for the rehabilitation of the economy of the territory. This division will not be responsible for AMGOT organic transport, that is, for operation, maintenance or control of (i) British or American Army vehicles, (ii) civilian and captured vehicles required for transport of AMGOT personnel or property in addition to Army vehicles.

This division shall also be responsible for rehabilitating, and maintaining civil communications, and for the regulation and control of existing communication facilities, including telephone, telegraph, cables and radio; for the rehabilitation, regulation and control of electric, gas and water utilities; and for the rehabilitation and supervision of public works, including roads, bridges, water supply, sewers and sanitary facilities.

(c) Agriculture Division: This division shall be responsible for the supervision of agriculture, including cropping and production, methods for improvement of agriculture and processing of agricultural products; for rationing and price control of agricultural products; for estimating and meeting agricultural requirements; and in coordination with the Economics and Supply Division for the collection and distribution of all agricultural products and edible commodities; also for the supervision of forests and fisheries.

(d) Labor Division: This division shall be responsible for the supervision and control of all matters relating to labor supply, including the regulation of wage levels for both civilian and military labor; the supervision of regional and provincial labor offices and all other matters affecting labor in the territory.

3. The following are appointed chiefs of divisions :

- (a) Economics and Supply : Col. John T. Zellars (Acting).
- (b) Transportation, Communication, and Utilities; Lt. Col. Leonard D. Denamore.

(2)

(c) Agriculture: Major J. Chryten.
 (d) Labor : Captain David A. Morse.

By Order of the Chief Civil Affairs Officer.

Charles M. Spohn

CHARLES M. SPOHN,
 Colonel, G. S. C.
 Chief Staff Officer.

DISTRIBUTION: S.C.A.Os.	6	File 266 and 213/HQ	12
Argirgento	6	Fleet	10
Caltanissetta	6	MGS. AFHQ.	1
Catania	6	Spares	1
Enna	35	Legal Division	1
Palermo	6	Finance	1
Ragusa	10	Public Safety	1
Siracusa	6	Public Health	1
Trapani	8	Controller of Prop.	1
Messina	1	Economics & Supply	1
AMGOT Liaison	10	Transportation	1
AMGOT 8th Army	10	Communication &	1
Region 2	10	Utilities Div.	1
AMGOT 5th Army	10	Agriculture Div.	1
Region 3	10	Labor Div.	1

HEADQUARTERS AMCOT

MOST SECRET
AMCOT HQ CICHN
AMCOT/31/HQ
17 September 1943

Minutes of
the 11th Meeting of the Executive Council
17 September 1943

PRESENT

Major General Lord Remwell	- C.C.A.O.
Colonel Bolles	- C.P.S.
Colonel Cheyne	- D.P.H.
Colonel Craftley Smith	- C.P.O.
Lt. Col. Farley Smith	- D.C.E.O.
Lt. Col. Hayes	- D.D.C.S.R.
Lt. Col. Rowe	- D.C.I.O.
Captain Deward	- D.C.P.
Lt. Van Heukelom	- Secretary

121. The meeting was called to order by the C.C.A.O. at 1505.
122. The minutes of the 10th Meeting of the Executive Council were reviewed.
123. EFCO
There was a general discussion about EFCO and the C.C.A.O. expressed his opinion that EFCO could submit for discussion to EXCO problems specifically relating to economics and finance rather than problems of an administrative character.
124. The Labor Plan
Captain Morse presented his Labor Plan No. 2 for approval. There were a few changes to be made in the draft and the C.C.A.O. decided that as soon as all the Division Heads had given their approval, his own approval should be considered as having been given. (Action Captain Morse and Division Heads)
125. The meeting was adjourned at 1535.

DISTRIBUTION

C.C.A.O.
D.C.C.A.O.
C.S.O.
D.C.S.O.
Heads of Divisions -6

Secretary
File
Floot
War Diary
Spares - 10

Carl van Heukelom
CARL van HEUKELOM
1st Lt., A.C.
Secretary Executive Council
AMCOT

2469

MOST SECRET

AMGOT/3LHQ

AMGOT HQ SICILY

13 September 1943

HEADQUARTERS AMGOTMinutes of
10th Meeting of Executive Council
10 September 1943PRESENT

Lt. Col. Spofford (Chairman)
Colonel Bolles
Colonel Cheyne
Col. Grafftey-Smith
Lt. Col. Chanler
Lt. Col. Harris
Lt. Col. Hayes
Lt. van Heukelom

C.S.O.
C.P.S.
D.P.H.
C.F.C.
C.L.O.
C.P.
D.D.C.S.R.
Secretary

106. The meeting was called to order by the C.S.O. at 1510 hours.
107. The minutes of the previous meeting were reviewed. C.P.S. stated that item 103 of the minutes of the ninth meeting should have read to the effect that plans for raids on wheat be initiated and not the raids themselves. The C.S.O. agreed. The C.P.S. reported that he had plans ready to commence immediate enforcement of black market regulations, and these would be circulated after being submitted to all Divisions for immediate approval and comments to C.P.S. (Action Heads of Divisions) (See appendix "A.")
108. The Labor Plan (No. 2)
C.S.O. discussed the plan which had been submitted by Capt. Morse to EFCO for approval. This plan had been approved by EFCO at a special meeting held on 7 September 1943, and EFCO had recommended adoption of this plan to the C.C.A.O. The C.S.O. asked the meeting for any comments and it was agreed that the plan attached as Appendix "1" to the Agenda be submitted to the C.C.A.O. or D.C.C.A.O. for final approval.
109. Raids on Black Market Violations (No. 3)
Discussion in number 107.
110. Meeting of C.A.P.Os.
C.P.S. reported that a meeting of C.A.P.Os from each Province had been held at AMGOT HQ.

Col. Graffey-Smith
Lt. Col. Chanler
Lt. Col. Harris
Lt. Col. Hayes
Lt. van Heukelan
C.F.C.
C.L.O.
C.P.
D.D.C.S.R.
Secretary

106. The meeting was called to order by the C.S.O. at 1510 hours.
107. The minutes of the previous meeting were reviewed. C.P.S. stated that item 103 of the minutes of the ninth meeting should have read to the effect that plans for raids on wheat be initiated and not the raids themselves. The C.S.O. agreed. The C.P.S. reported that he had plans ready to commence immediate enforcement of black market regulations, and these would be circulated after being submitted to all Divisions for immediate approval and comments to C.P.S. (Action Heads of Divisions) (See appendix "A.")
108. The Labor Plan (No. 2)
C.S.O. discussed the plan which had been submitted by Capt. Morse to EFCO for approval. This plan had been approved by EFCO at a special meeting held on 7 September 1943, and EFCO had recommended adoption of this plan to the C.C.A.O. The C.S.O. asked the meeting for any comments and it was agreed that the plan attached as Appendix "A" to the Agenda be submitted to the C.S.A.O. or D.C.C.A.O. for final approval.
109. Raids on Black Market Violations (No. 3)
Discussion in number 107.
110. Meeting of C.A.P.Os.
C.P.S. reported that a meeting of C.A.P.Os from each Province had been held at MAGOT HQ.
111. Arrests and Detention.
C.P.S. now has a report on the disposition of cases of persons arrested or detained by 7th Army and a report on the cases of 8th Army will shortly also be available.
112. Military Discipline.
C.P.S. stated that all his C.A.P.Os are unanimous in their reports on breach of military discipline by the Allied Armies in Sicily. The M.Ps provided by the Armies had proved insufficient and whereas he felt that little good could come of attempting to take action with respect to past misconduct, plans should now be made for the future. The C.P.S. has submitted his recommendations to the C.C.A.O.

- 2 -

113. Assignment of C.S.P.Os to other Duties.

In this connection the C.S.O. stated that a directive has been sent out to the effect that this should cease.

114. Fire-arm Registration.

The C.P.S. reported that the fire arms situation was still unsatisfactory and a source of potential danger. A plan for a uniform registration system was now being prepared and would shortly be distributed to all concerned. (Action C.P.S.)

115. Ammunition Stores.

The question of responsibility for stores of ammunition, hand grenades, explosives and mines was brought up by the C.P.S. who stated that this should definitely be the responsibility of the Army and Navy. The C.S.O. agreed with this view and said that every effort should be made by AMGOT to have the Army or Navy bear this responsibility. The C.P.S. was requested to follow this through. (Action C.S.O.)

116. Curfew.

The question of lifting the early morning curfew for commuters was discussed. It was agreed that the C.P.S. should work this out "in principle" with the authorities. (Action C.P.S.)

117. Political Intelligence Questionnaire (No. 4)

The C.S.O. explained the purposes and reasons for using this Questionnaire. The advantages of making people put their personal and political history in writing were stressed. The Questionnaire and its immediate use were approved by the meeting.

118. Correspondence from Provinces.

The C.P. raised the point that correspondence was not coming to him through correct channels. The C.S.O. said that a further directive on this would be issued. (Action C.S.O.)

119. A request was made that AMGOT obtain from the Armies for circulation at AMGOT HQ copies of 8th Army G.R.Os, 7th Army Daily Bulletins, Memoranda, Circulars and any other notices that they might issue. (Action C.S.O.)120. The meeting was adjourned at 1555 hours.

Distribution:

CAROL VAN HEUKELOM

1st Lt. A.C.

115. Ammunition Stores.

The question of responsibility for stores of ammunition, hand grenades, explosives and mines was brought up by the C.P.S. who stated that this should definitely be the responsibility of the Army and Navy. The C.S.O. agreed with this view and said that every effort should be made by AMGOT to have the Army or Navy bear this responsibility. The C.P.S. was requested to follow this through. (Action C.S.O.)

116. Curfew.

The question of lifting the early morning curfew for commuters was discussed. It was agreed that the C.P.S. should work this out "in principle" with the authorities. (Action C.P.S.)

117. Political Intelligence Questionnaire (No. 4)

The C.S.O. explained the purposes and reasons for using this Questionnaire. The advantages of making people put their personal and political history in writing were stressed. The Questionnaire and its immediate use were approved by the meeting.

118. Correspondence from Provinces.

The C.P. raised the point that correspondence was not coming to him through correct channels. The C.S.O. said that a further directive on this would be issued. (Action C.S.O.)

119. A request was made that AMGOT obtain from the Armies for circulation at AMGOT HQ copies of 8th Army G.R.Os, 7th Army Daily Bulletins, Memoranda, Circulars and any other notices that they might issue. (Action C.S.O.)

120. The meeting was adjourned at 1555 hours.

Distribution:

C.C.A.O.
D.C.C.A.O.
C.S.O.
D.C.S.O.
Heads of Divisions - 6
Secretary
File
Float
War Diary
Spares - 10

C. van HEURELOM
1st Lt., A.C.
Secretary Executive Council
AMGOT

Appendix A

AMCOT/1057/PS.

AMCOT H.O. SICILY.

11. Sept. 45.

BLACK MARKET PLAN.

1. Basis of Operations.

(a) Directive of the C.C.A.O. - The Directive issued by the C.C.A.O. at Council Meeting on 3. Sept. required the Public Safety Division to submit a plan to prevent black market operations. The directive provided that attention should be given primarily to wheat and wheat products.

(b) The following form the legal basis of action by the police :

- (i) General Order No. 3.
- (ii) General Order No. 5.
- (iii) Italian Penal Code.

2. Responsibilities of Divisions.

(a) The responsibility of Divisions will be as follows :-

(i) Civil Supply Division.

The General Plan for survey of stocks, transportation, storage and distribution.

(ii) Legal Division.

- 1. Plan for uniform prosecution of defaulters and offenders.
- 2. Supervise Prosecutions.
- 3. Central record of results and convictions.

(iii) Finance Division.

- 1. Provide fund for purchase of stocks at controlled prices.
- 2. Provide funds for use of police for investigation purposes, and monetary rewards to informants in suitable cases.

(iv) Public Safety Division.

- 1. Searches of suspected premises to commence September 16th.
- 2. Confiscation of undeclared excesses.
- 3. Investigation of cases and charging offenders.
- 4. Maintain central record of investigations and results.

(b) Civilian Supply Division has designated one officer to act as Adviser to the Public Safety Division; Legal Division has designated one officer as the Chief Prosecutor.

3. Responsibilities of S.C.A.Os.

- (a) The posting of proclamations and notices.
- (b) The maintenance of the Central Provincial records of supplies.
- (c) Providing warehouses and storage.
- (d) Inspecting the transportation and the movement of all supplies.

- (i) General Order No. 3.
- (ii) General Order No. 5.
- (iii) Italian Penal Code.

2. Responsibilities of Divisions.

(a) The responsibility of Divisions will be as follows :-

- (i) Civil Supply Division.
The General Plan for survey of stocks, transportation, storage and distribution.
- (ii) Legal Division.
 - 1. Plan for uniform prosecution of defaulters and offenders.
 - 2. Supervise Prosecutions.
 - 3. Central record of results and convictions.
- (iii) Finance Division.
 - 1. Provide fund for purchase of stocks at controlled prices.
 - 2. Provide funds for use of police for investigation purposes. and monetary rewards to informants in suitable cases.
- (iv) Public Safety Division.
 - 1. Searches of suspected premises to commence September 16th.
 - 2. Confiscation of undeclared excesses.
 - 3. Investigation of cases and charging offenders.
 - 4. Maintain central record of investigations and results.
- (b) Civilian Supply Division has designated one officer to act as Adviser to the Public Safety Division; Legal Division has designated one officer as the Chief Prosecutor.

3. Responsibilities of S.C.A.Os.

- (a) The posting of proclamations and notices.
- (b) The maintenance of the Central Provincial records of supplies.
- (c) Providing warehouses and storage.
- (d) Arranging the transportation and the movement of all supplies.
- (e) Direction of the employment of the Civil Police on the Provincial level.
- (f) The supervision of the investigation and charging of offenders on the provincial level.
- (g) The forwarding of all police activities within the Province through the Carabinieri Group Commander.

-2-

4. Employment of Civil Police.

(a) The Civil Police organizations will be employed as follows:

(i) Carabinieri.
The Carabinieri is designated as the principal civil police agency employed under the control of their own superior Commander for the island of Sicily, General Ernesto Sannino.

(ii) Agents of Public Security.
The Questore and Agents of Public Security are at the disposal of the S.C.A.Os.

(iii) Guardia di Finanza.
This organization employed in accordance with existing instructions.

(iv) Guardia Municipale.
The Guardia Municipale, or local police, normally under the Sindaco will be employed locally.

(b) The activities of all police within the Province will be reported to the Group Commander of the Carabinieri in the manner prescribed herein.

5. Detailed Police Plan.

(a) The activities of the Police will be directed against violations of the system of supply from production to consumption.

(i) Particular attention will be given to the following products: wheat and wheat products (flour and pasta), sugar and olive oil.

(ii) Civil Police activities will be under the supervision of the Civil Police Section, Division of Public Safety.

(b) Action against consumers based on General Order No.5. Searches will be made on and after September 16 of premises other than those of producers and growers. Undeclared supplies in excess of the authorized amounts will be confiscated. Each case where undeclared supplies in excess of the authorized amounts are found, will be followed up with the necessary police investigation.

6. Action at the sources of supply.

(a) The S.C.A.O. of each Province, acting in accordance with the Civil Supply plan, will check as follows on the supplies in the possession of growers:

- (i) List of growers and estimated yield.
- (ii) Check on the amounts turned in to Amassi, and/or, Storehouses.
- (iii) Check on the amounts which have been declared by the respective growers.
- (iv) Determine from (i), (ii), and (iii) what discrepancies exist. These will be furnished to the police for investigation.

(b) On receipt of this information from the S.C.A.O., or representative, the

785015

disposal of the S.C.A.Os.

(iii) Guardia di Finanza.
This organization employed in accordance with existing instructions.

(iv) Guardia Municipale.
The Guardia Municipale, or local police, normally under the Sindaco will be employed locally.

(v) The activities of all police within the Province will be reported to the Group Commander of the Carabinieri in the manner prescribed herein.

5. Detailed Police Plan.

(a) The activities of the Police will be directed against violations of the system of supply from production to consumption.

(i) Particular attention will be given to the following products :
wheat and wheat products (flour and pasta), sugar and olive oil.

(ii) Civil Police activities will be under the supervision of the Civil Police Section, Division of Public Safety.

(b) Action against consumers based on General Order No.5. Searches will be made on and after September 16 of premises other than those of producers and growers. Undeclared supplies in excess of the authorized amounts will be confiscated. Each case where undeclared supplies in excess of the authorized amounts are found, will be followed up with the necessary police investigation.

6. Action at the sources of supply.

(a) The S.C.A.O. of each Province, acting in accordance with the Civil Supply plan, will check as follows on the supplies in the possession of growers :

- (i) List of growers and estimated yield.
- (ii) Check on the amounts turned in to Amassi, and/or, Storchauses.
- (iii) Check on the amounts which have been declared by the respective growers.
- (iv) Determine from (i), (ii), and (iii) what discrepancies exist. These will be furnished to the police for investigation.

(b) On receipt of this information from the S.C.A.O., or representative, the police will conduct searches of premises and make the necessary investigations in accordance with the facts disclosed. When making searches the police will be accompanied by persons who have the necessary technical knowledge to make estimates of the quantity and kinds of supplies.

-3-

7. Action against Distributors.

(a) All vehicles transporting the products named herein will be required to carry a manifest containing the following information:

- (i) Name, address and thumb print of owner.
- (ii) The product and amount.
- (iii) Destination.
- (iv) Authority for moving.
- (v) Agency from whom procured.

The S.C.A.O. will designate the representatives who are authorized to issue manifests and advise the police within the Province the form of the manifest. The S.C.A.O. will require all manifests to be surrendered and cancelled when the products, which they covered, have been delivered to the destination.

(b) The police will check the vehicles carrying products on the roads, and those which are not covered by manifests will be confiscated and turned in to the designated warehouse. Loads carried on Military vehicles must likewise be covered by a manifest. As the police cannot confiscate these vehicles, they will be required to make a report of same. Civilian vehicles carrying loads accompanied by military personnel must also carry the necessary manifest. Each investigation or irregularity discovered by the police will be followed by the necessary investigation.

8. Action against Production.

(a) By authority of General Order No. 3 all grain, except certain authorized amounts, must be turned in before Oct. 31. After that date searches will be conducted and confiscations made.

(b) Each confiscation or irregularity discovered by the police will be followed by the necessary investigation.

9. Action against Distributors.

The S.C.A.O. acting through the available agencies within the Province, will check on the quality and quantity of flour and bread from the mills and bakers. Irregularities and discrepancies will be followed by investigations.

10. Action against the Black Market.

The action outlined in the foregoing is directed at the control of supplies from source to consumer. Supplies which have been, or will be, diverted from this stream naturally come into circulation at prices in excess of the provisions of General Order No. 3. This is the Black Market. The details of the investigation of the black market itself will be contained in future orders. The action outlined herein is directed at the sources, and in the course of this action leads will be discovered, each one of which will be investigated as the circumstances require.

11. Police Coordination.

(c) The police will check the vehicles carrying products on the roads, and those which are not covered by manifests will be confiscated and turned in to the designated warehouse. Loads carried on Military vehicles must likewise be covered by a manifest. As the police cannot confiscate these vehicles, they will be required to make a report of same. Civilian vehicles carrying loads accompanied by military personnel must also carry the necessary manifest. Each investigation or irregularity discovered by the police will be followed by the necessary investigation.

8. Action against Production.

(a) By authority of General Order No. 3 all grain, except certain authorized amounts, must be turned in before Oct. 31. After that date searches will be conducted and confiscations made.

(b) Each confiscation or irregularity discovered by the police will be followed by the necessary investigation.

9. Action against Distributors.

The S.C.A.O. acting through the available agencies within the province, will check on the quality and quantity of flour and bread from the mills and bakers. Irregularities and discrepancies will be followed by investigations.

10. Action against the Black Market.

The action outlined in the foregoing is directed at the control of supplies from source to consumer. Supplies which have been, or will be, diverted from this stream naturally come into circulation at prices in excess of the provisions of General Order No. 3. This is the Black Market. The details of the investigation of the black market itself will be contained in future orders. The action outlined herein is directed at the sources, and in the course of this action leads will be discovered, each one of which will be investigated as the circumstances require.

11. Police Coordination.

(a) The central office of the Civil Police Section, Division of Public Safety, will perform the following functions:

- (i) Maintain the necessary contact with other Divisions --- Legal, Finance, and Civilian Supply.
- (ii) Correlate all information received, analyze same and distribute it to those concerned.
- (iii) Compile reports and maintain statistics respecting enforcement activities throughout the island.

The organization of the Central Office will consist of specialized personnel drawn from the Civil Police Agencies.

2466

11. Police Coordination (Cont'd).

(b) The Central Office will compile statistics for the whole island. Each Province will maintain a consolidated record within the Province. These records will be maintained under the following headings :-

- (i) Total cases referred to the Police.
- (ii) Number of cases unfounded.
- (iii) Number of cases closed as undetected cases.
- (iv) Number of cases awaiting trial.
- (v) Number of cases under investigation.
- (vi) Number of persons convicted.
- (vii) Number of persons acquitted.
- (viii) Number of searches.
- (ix) Number of confiscations.
- (x) Value and quantities of confiscated property.

Each case and/or investigation will be supported by the necessary basic report.

(c) All police activities will be reported to the Group Commander of the Carabinieri in the Province, who will submit each week from Sunday to Saturday inclusive, consolidated reports containing the information shown in foregoing to the S.C.A.F.O. The Group Commander will, in addition, submit to his higher Commander reports required.

(d) The S.C.A.O. will coordinate the activities of all police within the Province. The Carabinieri is the principal or responsible agency.

(e) The S.C.A.Os. will maintain within the Province consolidated reports of police activities and supplies. The General summary of results for the period Sept. 16 to Sept. 30 inclusive will be submitted to the Public Safety Division. Future reports will be submitted as required.

CHARLES M. SPOFFORD,
Lt. Col. G.S.C.
Chief Staff Officer.

MOST SECRET

HEADQUARTERS ANGOT

MINUTES OF

NINTH MEETING OF EXECUTIVE COUNCIL

2ND SEPTEMBER 1943

PRESIDENT:

Major-General Lord Rennell
Brigadier-General McSherry
Colonel Bolles
Colonel Cheyne
Colonel Craftley-Smith
Lieut-Colonel Charlier
Lieut-Colonel Harris
Lieut-Colonel Seitz
Lieut-Colonel Spofford
Lieut van Heukelom

C.C.A.O.
D.C.A.O.
C.P.S.
D.P.H.
C.E.O.
C.L.O.
C.P.
D.C.S.R.
C.S.O.
Secretary.

97.

The meeting was called to order by D.C.A.O. at 1505 hours.

98.

Action was reported on 91 as per submitted plan.

99.

Action on EFOO (92) was reported on, and it was announced that its first meeting would be held at 1600 hours on 4th September 1943.

100.

The C.P.S. reported that a plan had been prepared (94) and now required approval of the C.L.O. and D.C.S.R.

101.

Item 2 on the Agenda was explained by the D.P.H. The transportation shortage mentioned was a problem common to all ANGOT personnel. The C.C.A.O. recommended that civilian facilities be used when possible.

102.

Item 3. The D.C.S.R. reported that a survey for island-wide control and registration of vehicles had been submitted. A suggestion was made that a charge of 50 be made for each four months period to cover printing expenses. The C.C.A.O. directed that this be done. (Action D.C.S.R.)

103.

Item 4. The C.C.A.O. stated that the time had now come to be increasingly firm with black market violators, and directed that raids for wheat be initiated. Public Safety were directed to report on the effects of such raids at the next Executive Council Meeting. (Action C.P.S.)

104.

Item 5. (1) The C.S.O. recommended that the Labor Plan be referred to EFOO. The C.C.A.O. directed that this be done. No Italians were to be initially invited. The C.C.A.O. directed that any reports or recommendations of EFOO to the Executive Council

97. The meeting was called to order by C.C.A.O. at 1505 hours.
98. Action was reported on 91 as per submitted plan.
99. Action on EFCO (92) was reported on, and it was announced that its first meeting would be held at 1600 hours on 14th September 1943.
100. The C.P.S. reported that a plan had been prepared (94) and now required approval of the C.L.O. and D.C.S.R.
101. Item 2 on the Agenda was explained by the D.P.H. The transportation shortage mentioned was a problem common to all AMCT personnel. The C.C.A.O. recommended that civilian facilities be used when possible.
102. Item 3. The D.C.S.R. reported that a survey for island-wide control and registration of vehicles had been submitted. A suggestion was made that a charge of £50 be made for each four months period to cover printing expenses. The C.C.A.O. directed that this be done. (Action D.C.S.R.)
103. Item 4. The C.C.A.O. stated that the time had now come to be increasingly firm with black market violators, and directed that raids for wheat be initiated. Public Safety were directed to report on the effects of such raids at the next Executive Council Meeting. (Action C.P.S.)
104. Item 5. (i) The C.S.O. recommended that the Labor Plan be referred to EFCO. The C.C.A.O. directed that this be done. No Italians were to be initially invited. The C.C.A.O. directed that any reports or recommendations of EFCO to the Executive Council be circulated before the next Executive Council Meeting.
- (ii) The D.C.S.R. reported that a second plan on agricultural organization, based on information received from S.C.A.O.s, had now been sent to all S.C.A.O.s. The C.S.O. recommended that this be referred to EFCO. The C.C.A.O. directed that this be done, and any reports or recommendations of EFCO to the Executive Council be circulated before the next Executive Council Meeting.
105. After a review of the general situation, the C.C.A.O. adjourned the meeting at 1615 hours.

Regular Distribution:

War Diary

SECRETARY - EXECUTIVE COUNCIL,
AMCT.

CAROL VAN HEUKELOM,
1st Lt AG,

Lieut-Colonel Chandler
Lieut-Colonel Harris
Lieut-Colonel Seitz
Lieut-Colonel Stoffel
Lieut van Houkelon
C.S.O.
C.P.
D.C.S.R.
C.S.O.
Secretary.

NOT SECRET

AMCOT/21/HQ

HEADQUARTERS AMCOT

Minutes of

Eighth Meeting of Executive Council

27 August 1943

Present

Major General Lord Rennell
Colonel D. G. Cheyne
Colonel Graffroy-Smith
Lt. Col. Charley
Lt. Col. Harris
Lt. Col. Smith
Lt. Col. Snook
Lt. Col. Spofford
Lt. van Heutelen

- C.C.A.O.
- D.P.H.
- C.F.O.
- C.L.O.
- C.E.
- D.C.S.R.
- Rep. D.P.S.
- C.S.O.
- Secretary

88. The meeting was called to order by C.C.A.O. at 1700 hrs.

89. The minutes of the previous meeting were approved.

90. Transportation for local Government Officials (Item 2).

C.F.O. stated that as progress was now being made to mobilize large institutions such as Railroads, the General Electric Co. etc., it had become evident that Civilian transport was deficient. The C.C.A.O. directed the D.C.S.R. to prepare a scheme for this purpose for distant provinces, and directed that Public Safety draft rules for prescribed use of such service. (Action Acting D.P.S. & D.C.S.R.)

91. In connection with EOCO, the C.F.O. proposed that certain local leaders be invited to take part in EOCO Conferences.

It was agreed that local experts would be invited "ad hoc" each one to give advice in his own field, but these invitations are to be on a temporary basis only.

92. (a) As regards smaller price violations, it was agreed that they would be tried in the PATTU (Action C.L.C.).

(b) As regards important violators, they are to be tried by Allied Military Courts - in each Province as and when necessary.

93. It was agreed that the Acting D.P.S.'s proposal to use the Guardia di Finanza and Carabinieri separately, should be carried through.

94. Public Safety was directed by the C.C.A.O. to work out its scheme to

Colonel Geoffrey Smith
 Lt. Col. Churley
 Lt. Col. Harris
 Lt. Col. Seitz
 Lt. Col. Snook
 Lt. Col. Spofford
 Lt. van Heusvelen
 - C.F.O.
 - C.L.O.
 - C.P.
 - D.C.S.R.
 - Rep. D.P.S.
 - C.S.O.
 - Secretary

89. The meeting was called to order by C.C.A.O. at 1700 hrs.

90. The minutes of the previous meeting were approved.

91. Transportation for local Government Officials (Item 2).

C.F.O. stated that as progress was now being made to mobilize large institutions such as Railroads, the General Electric Co. etc., it had become evident that Civilian transport was deficient. The C.C.A.O. directed the D.C.S.R. to prepare a scheme for this purpose for distant provinces, and directed that Public Safety draft rules for prescribed use of such service. (Action Acting D.P.S. & D.C.S.R.)

92. In connection with EFCO, the C.F.O. proposed that certain local leaders be invited to take part in EFCO Conferences.

It was agreed that local experts would be invited "ad hoc" each one to give advice in his own field, but these invitations are to be on a temporary basis only.

93. (a) As regards smaller price violations, it was agreed that they would be tried in the PESTURA (action C.L.O.).

(b) As regards important violators, they are to be tried by Allied Military Courts - in each Province as and when necessary.

94. It was agreed that the Acting D.P.S.'s proposal to use the Guardia di Finanza and Carabinieri separately, should be carried through.

95. Public Safety was directed by the C.C.A.O. to work out its scheme to concentrate all information into a Central Registry at Headquarters in collaboration with other Headquarters Divisions. The use of secret funds, provided adequate control be exercised, was also approved.

96. The meeting was adjourned at 1745 hours.

Present: Van Hengelson.

CARL VAN HENGELSON,
1st Lt., M.C.,
Secretary Executive Council.

1st Lt. Hq
15 Army Group

Distribution:

C.C.S.O.
D.C.C.S.O.
C.E.O.
Heads of Divisions
Secretary
War Diary
File
Spres - 8
D.C.S.O.

AMGOT/31/HQ

17 August 1943

HEADQUARTERS AMGOT

Minutes of

Sixth Meeting of Executive Council

15 August 1943

Present

Brigadier General McSherry
Col. Graftey-Smith
Col. Cheyne
Lt. Col. Spofford
Lt. Col. Harris
Lt. Col. Martin
Lt. Col. Seitz
Lt. Col. Chanler
Major Croft

- D.C.C.A.O.
- C.F.O.
- D.P.H.
- C.S.O.
- C.P.
- Acting D.P.S.
- D.C.S.R.
- C.L.O.
- Secretary

67. The meeting was called to order by D.C.C.A.O. at 1510 hours.
68. D.C.C.A.O. discussed briefly plans for the future and asked Heads of Divisions to select one officer from their Division to be sent back to Tizi Gouzou as instructors. (Action Heads of Divisions.)
69. Minutes of Previous Meetings
- No. 28 - P.C. directive was approved as submitted.
- No. 47 - Col. Seitz reported that it has been arranged to turn over all civilian personnel to P.S. Division for vetting before employing them.
- No. 48 - C.S.O. reported that all items in this minute had been cleared up except "(b)" which concerned communications from and to HQ which it would not be necessary to channel through S.C.A.O.s. (Action C.S.O.)
- No. 50 - D.C.S.R. stated that he had placed Capt. Minard in charge of those railroads which the 7th Army had turned over to AMGOT. It was decided that the payment of all railroad laborers would be turned over to C.F.O. who would arrange for payment through the main office in Palermo. (Action C.F.O.)
- No. 51 - C.L.O. reported that arrangements had been concluded for meeting the costs of restoring buildings housing higher Italian Courts and that instructions to S.C.A.O.s re lower courts would be sent out. D.C.C.A.O. asked C.L.O. to investigate the alleged mistreatment of political prisoners at Ustica. (Action C.L.O.)

Lt. Col. Harris
 Lt. Col. Martin
 Lt. Col. Seitz
 Lt. Col. Chanler
 Major Croft
 - C.P.
 - Acting D.P.S.
 - D.C.S.R.
 - C.L.O.
 - Secretary

67. The meeting was called to order by D.C.C.A.O. at 1510 hours.
68. D.C.C.A.O. discussed briefly plans for the future and asked Heads of Divisions to select one officer from their Division to be sent back to Tizi Ouzou as instructors. (Action Heads of Divisions.)
69. Minutes of Previous Meetings
- No. 28 - P.C. directive was approved as submitted.
- No. 47 - Col. Seitz reported that it has been arranged to turn over all civilian personnel to P.S. Division for vetting before employing them.
- No. 48 - C.S.O. reported that all items in this minute had been cleared up except "(b)" which concerned communications from and to HQ which it would not be necessary to channel through S.C.A.O.s. (Action C.S.O.)
- No. 50 - D.C.S.R. stated that he had placed Capt. Minard in charge of those railroads which the 7th Army had turned over to AMGOT. It was decided that the payment of all railroad laborers would be turned over to C.F.O. who would arrange for payment through the main office in Palermo. (Action C.F.O.)
- No. 51 - C.L.O. reported that arrangements had been concluded for meeting the costs of restoring buildings housing higher Italian Courts and that instructions to S.C.A.O.s re lower courts would be sent out. D.C.C.A.O. asked C.L.O. to investigate the alleged mistreatment of political prisoners at Ustica. (Action C.L.O.) 2463
- No. 52 - C.L.O. reported that instructions re appointments to military courts had been sent to S.C.A.O.s.
- No. 53 - C.P. reported that instructions to post Proclamation No. 6 had been sent out.
- No. 54 - C.L.O. reported that he was drafting memorandum limiting powers of S.C.A.O.s.
- No. 55 - D.C.S.R. stated that Capt. Morse was working out scale of higher level salaries of civilian personnel. Until such scale is established it was decided to pay such personnel at rates paid to interpreters.

No. 56 - First sentence of minute amended to read, "D.C.C.A.O. asked D.C.S.R. to make a study and propose a plan whereby the Ammassi could be abolished if it was deemed advisable to do so." D.C.S.R. reported that he was studying the subject. (Action D.C.S.R.)

No. 57 & 58. - D.C.S.R. reported that drafts of orders re prices and declaration of commodities had been completed and were awaiting D.C.C.A.O.'s approval.

No. 60 - C.P. stated that he had drafted cable re sequestered property.

No. 62 - C.F.O. stated that he did not feel that he had sufficient information at hand as yet to justify dispatching a cable on reopening of lotteries.

No. 63 - C.F.O. read a cable which had been sent to M.G.S. for transmission to C.C.S. recommending that pensions continue to be paid to civil service and army personnel.

D.C.C.A.O. asked that a further study of determining welfare payments be made with a view to excluding from the rolls individuals to whom work is available. (Action D.P.H.)

No. 65 - C.S.O. stated that instructions to S.C.A.O.s and C.A.O.s re their responsibility of paroled prisoners would be sent out. (Action C.S.O.)

70. Policy on Circulation of Individuals and Curfew (Item 2)

(a) It was decided that restrictions imposed by proclamations would be adhered to in combat areas but that S.C.A.O.s would be given discretion of permitting such circulation of individuals as they considered advisable within the limitations of their provinces. (Action C.S.O.)

(b) It was decided that the curfew hour should be "AT DARK" or one hour after sunset. (Action C.S.O.)

71. Aid to Private Industries (Item 3 (a))

(a) It was decided to release sufficient foreign exchange to allow purchase of necessary chemicals from North Africa for the production of wine. Private companies to negotiate their own loans from banks for purposes of purchasing such chemicals. (Action C.F.O. and D.C.S.R.)

(b) It was agreed that advances should be made to private cement companies provided their selling price would not exceed actual costs plus 6%. (Action C.F.O. and D.C.S.R.)

(c) It was decided that the question of aid to private industries

or lotteries.

No. 63 - C.F.O. read a cable which had been sent to M.G.S. for transmission to C.C.S. recommending that pensions continue to be paid to civil service and army personnel.

D.C.C.O. asked that a further study of determining welfare payments be made with a view to excluding from the rolls individuals to whom work is available. (Action D.P.H.)

No. 65 - C.S.O. stated that instructions to S.C.A.O.s and C.A.O.s re their responsibility of paroled prisoners would be sent out. (Action C.S.O.)

70. Policy on Circulation of Individuals and Curfew (Item 2)

(a) It was decided that restrictions imposed by proclamations would be adhered to in combat areas but that S.C.A.O.s would be given discretion of permitting such circulation of individuals as they considered advisable within the limitations of their provinces. (Action C.S.O.)

(b) It was decided that the curfew hour should be "AT DARK" or one hour after sunset. (Action C.S.O.)

71. Aid to Private Industries (Item 3 (a))

(a) It was decided to release sufficient foreign exchange to allow purchase of necessary chemicals from North Africa for the production of wine. Private companies to negotiate their own loans from banks for purposes of purchasing such chemicals. (Action C.F.O. and D.C.S.R.)

(b) It was agreed that advances should be made to private cement companies provided their selling price would not exceed actual costs plus 6%. (Action C.F.O. and D.C.S.R.)

(c) It was decided that the question of aid to private industries should be the subject of a study and report having regard to the various basic factors involved - i.e. which products essential for military or civil needs, production methods and costs, number of employees, relation to general price structure, etc.

72. Sale of Essential Food to Army (Item 3 (b))

D.C.S.R. reported that Army had requested flour to feed P.O.W.s. D.C.C.A.O. stated that MGOI would not furnish Army with food unless they are in urgent need. (Action D.C.S.R.)

- 3 -

73. Reports from Field Officers (Item 4)

D.C.C.A.O. asked that all field officers submit reports on "lessons learned" for editing by C.S.O. and Divisions concerned. (Action C.S.O.)

74. Authority of S.C.A.O.s over Specialist Officers (Item 5 (b))

D.C.C.A.O. stated that S.C.A.O.s are not authorized to change the duties of specialist officers. In case S.C.A.O.s wanted them for other services, the matter would be decided by C.S.O.

75. Housing for Homeless (Item 6)

Report of D.P.H. was approved as submitted and C.S.O. was asked to send information forms recommended in Item 6 (a) of Agenda to S.C.A.O.s. (Action C.S.O.)

76. Expediting Communications (Item 7 (b))

D.C.C.A.O. stated that island wide courier service from HQ would be installed if it was found possible to do so. He urged more frequent use of air courier service.

77. Travel Orders

D.C.C.A.O. said that V.O.C.D. would be sufficient to cover trips from Headquarters but that a record of whereabouts of all personnel must be kept. (Action Secretary)

78. Window Coverings

D.C.S.R. was asked to send a cable to AFHQ requesting a supply of window coverings to supplant windows destroyed by raids. (Action D.C.S.R.)

79. Captured Material.

In response to a question D.C.C.A.O. stated that captured material should be considered the same as any other Army property and could be sold or given away as the situation warranted.

80. The meeting was adjourned at 1800 hours.

ANGOT HQ
15 Army Group
Distribution:
C.C.A.O.
D.C.C.A.O.

RICHARD G. CROFT
Major, A.U.S.
Secretary Executive Council

2461

Report of D.P.H. was approved as submitted and C.S.O. was asked to send information forms recommended in Item 6 (a) of agenda to S.C.A.O.s. (Action C.S.O.)

76. Expediting Communications (Item 7 (b))

D.C.C.A.O. stated that island wide courier service from HQ would be installed if it was found possible to do so. He urged more frequent use of air courier service.

77. Travel Orders

D.C.C.A.O. said that V.O.C.D. would be sufficient to cover trips from Headquarters but that a record of whereabouts of all personnel must be kept. (Action Secretary)

78. Window Coverings

D.C.S.R. was asked to send a cable to AMHQ requesting a supply of window coverings to supplant windows destroyed by raids. (Action D.C.S.R.)

79. Captured Material.

In response to a question D.C.C.A.O. stated that captured material should be considered the same as any other Army property and could be sold or given away as the situation warranted.

80. The meeting was adjourned at 1800 hours.

AMGOT HQ
15 Army Group
Distribution:

C.C.A.O.

D.C.C.A.O.

C.S.O.

Heads of Divisions

Secretary

War Diary

File

Spares - 8

2461

RICHARD G. CROFT
Major, A.U.S.
Secretary Executive Council

MOST SECRET14 August 1943A G E N D A

Sixth Meeting of Executive Council to be held at 1500 hours
15 August 43 in the Conference Room.

1. Minutes of previous meeting.
2. C.S.O. to submit for discussion and decision:
 - (a) Policy on lifting of restrictions by S.C.A.O.s on circulation.
 - (b) Policy on lifting curfew by S.C.A.O.s.
3. D.C.S.R. to raise following questions for policy decision:
 - (a) Price subsidies to industry.
 - (b) Sale of essential foods in short supply to Army.
4. C.F.O. to bring up question of desirability of obtaining, editing and publishing reports from officers in the field with the object of assisting field officers in future AMGOT operations here and elsewhere.
5. C.P. to submit the following:
 - (a) Approval of C.P. General Administrative Instructions No. 14 which have already been circulated to C.S.O., C.L.O., D.P.S. and D.C.S.R.
 - (b) Degree to which authority of S.C.A.O.s extends with respect to assigning field officers of various divisions to duties.
6. Report of D.P.H. on Provision of Housing for the Homeless (Appendix 'A').
 - (a) C.S.O. recommends that D.P.H. prepare a form to be sent to S.C.A.O.s calling for return of information indicated in para 4 of Appendix 'A'.
7. D.P.H. to raise following points for discussion:
 - (a) The position of Island problems vis a vis the Province

- (a) Policy on lifting of restrictions by S.C.A.O.s on circulation.
 - (b) Policy on lifting curfew by S.C.A.O.s.
3. D.C.S.R. to raise following questions for policy decision:
- (a) Price subsidies to industry.
 - (b) Sale of essential foods in short supply to Army.
4. C.F.O. to bring up question of desirability of obtaining, editing and publishing reports from officers in the field with the object of assisting field officers in future AMOT operations here and elsewhere.
5. C.P. to submit the following:
- (a) Approval of C.P. General Administrative Instructions No. 14 which have already been circulated to C.S.O., C.L.O., D.P.S. and D.C.S.R.
 - (b) Degree to which authority of S.C.A.O.s extends with respect to assigning field officers of various divisions to duties.
6. Report of D.P.H. on Provision of Housing for the Homeless (Appendix 'A').
- (a) C.S.O. recommends that D.P.H. prepare a form to be sent to S.C.A.O.s calling for return of information indicated in para 4 of Appendix 'A'.
7. D.P.H. to raise following points for discussion:
- (a) The position of Island problems vis a vis the Province in which they arise to be defined. For example, such public health problems as the following should be considered central responsibilities.
 - (1) Distribution of medical personnel
 - (2) Distribution of all medical and welfare supplies
 - (3) Certain epidemiological investigations affecting several provinces
 - (4) Supervision of Island Reformatory for juveniles
 - (5) Machinery for locating lost personnel, especially children
 - (6) The reopening of Social Insurances, reorganization or suspension

- 2 -

- (7) Utilization of property of Fascist Youth and Leisure time organizations.
- (b) Expediting communication between HQ AMGOT and the provinces.

RICHARD G. CROFT
Major, A.U.S.
Secretary Executive Council
AMGOT

AMGOT HQ
15 Army Group

Distribution:

C.C.A.O.
D.C.C.A.O.
C.S.O.
All heads Divisions
Secretary
War Diary
File
(Spares 10)

APPENDIX "A"MEMORANDUM ON PROVISION OF HOUSING FOR THE HOMELESS

1. It is recommended that the question of providing accommodation for those rendered homeless on account of aerial and other forms of bombardment should be considered now.

2. This is forced upon the Military Government by the following facts:

- (a) The majority of towns and villages have been damaged to a greater or lesser extent, e.g. in Palermo it is estimated that 33% of houses have been rendered uninhabitable.
- (b) Winter conditions in many parts of Sicily are severe and the form of al fresco existence in mountain caves and the like, now general in many parts, could be perpetrated in winter only with very serious consequences to the health of the people.
- (c) The danger to the Military as well as the civilian population of an organization as at present where sanitation is practically non-existent increases everyday.
- (d) Improvements to be described later will provide work and so relieve to some extent the problem of unemployment, which is likely to become acute.
- (e) The propaganda value of early efforts at improvement is immense.

3. The difficulties in the way of this are fully appreciated. The war continues and the possibility of further damage is a very real one. It has not been the policy in the U.K. to undertake very much in the way of rebuilding while the war continues. Materials are scarce especially those imported where shipping considerations necessarily dictate policies. Availability of labour in special localities will vary very much. Town planning schemes cannot be ignored.

4. In order to have the full facts before us and to enable a policy to be formulated, certain preliminary information is essential and it is therefore recommended that C.I.O.'s of Provinces be requested immediately to consider the problem and to submit a report on the following lines with the minimum delay (say within 14 days).

- (a) Normal population of town.
- (b) Present population.
- (c) Normal number of habitations with average number accommodated in each.

- (b) Winter conditions in many parts of Sicily are severe and the form of al fresco existence in mountain caves and the like, now general in many parts, could be perpetrated in winter only with very serious consequences to the health of the people.
- (c) The danger to the Military as well as the civilian population of an organization as at present where sanitation is practically non-existent increases everyday.
- (d) Improvements to be described later will provide work and so relieve to some extent the problem of unemployment, which is likely to become acute.
- (e) The propaganda value of early efforts at improvement is immense.

3. The difficulties in the way of this are fully appreciated. The war continues and the possibility of further damage is a very real one. It has not been the policy in the U.K. to undertake very much in the way of rebuilding while the war continues. Materials are scarce especially those imported where shipping considerations necessarily dictate policies. Availability of labour in special localities will vary very much. Town planning schemes cannot be ignored.

4. In order to have the full facts before us and to enable a policy to be formulated, certain preliminary information is essential and it is therefore recommended that C.I.O's of Provinces be requested immediately to consider the problem and to submit a report on the following lines with the minimum delay (say within 14 days).

- (a) Normal population of town.
- (b) Present population.
- (c) Normal number of habitations with average number accommodated in each. 259
- (d) Number of houses uninhabitable with number of persons there rendered homeless.
- (e) Number of houses in (d) which could be repaired with a month's normal work from material actually available (e.g. from damaged property). Is labour locally available?
- (f) Number of habitable houses in which there are rooms at present "spare" but which could accommodate additional persons. (N.B. a census on these lines was made in every town and village in U.K. and occupiers had to take refugees on short notice to fill such rooms.)

- 2 -

- (g) Number of buildings which could accommodate refugees, e.g. offices, schools, theatres, with numbers of persons who could there be accommodated.
- (h) Number on some definite date for whom there will be no suitable accommodation.
- (i) Are communal feeding centres in existence and are these adequate. If not what proposals are being submitted to cover this, water supplies and provision of an adequate sanitary organization.

5. The above information will give the Military Government something to work upon and an idea of cost, labour, material, etc. required. On this the formulation of a policy would be possible.

6. It may be feasible by use of a billeting scheme as at 4 (f) to re-allot considerable population locally, or in adjacent localities, but failing this there appear to be three possibilities.

- (a) Transfer of populations.
- (b) Establishment of Camps (Kutments or Carvas)
- (c) Extension as opposed to minor repairs or rebuilding.

These are arranged in order of possible priorities.

7. The questions of material, labour, etc. are for other Divisions. The medical aspect is essentially the health of the people which is indivisibly connected with the health of the armies. It will be obvious that in any scheme of redistribution of the population such interconnected subjects as the provision of hospitals, schools, medical attendance, etc. must be taken into account.

8. If you agree it is requested that information on the above lines be obtained from C.A.Cs. as early as possible to enable the whole subject to be discussed in anticipation of the period when the matter will be sorted.

/S/ D. Gordon Cheyne

D. GORDON CHEYNE

organization.

5. The above information will give the Military Government something to work upon and an idea of cost, labour, material, etc. required. On this the formulation of a policy would be possible.

6. It may be feasible by use of a billeting scheme as at 4 (f) to re-allot considerable population locally, or in adjacent localities, but failing this there appear to be three possibilities.

- (a) Transfer of populations.
- (b) Establishment of Camps (Hutments or Canvas)
- (c) Extension as opposed to minor repairs or rebuilding.

These are arranged in order of possible priorities.

7. The questions of material, labour, etc. are for other Divisions. The medical aspect is essentially the health of the people which is indivisibly connected with the health of the armies. It will be obvious that in any scheme of redistribution of the population such interconnected subjects as the provision of hospitals, schools, medical attendance, etc. must be taken into account.

8. If you agree it is requested that information on the above lines be obtained from G.I.Os. as early as possible to enable the whole subject to be discussed in anticipation of the period when the matter will be acute.

/S/ D. Gordon Cheyne

D. GORDON CHEYNE
Colonel
Director of Public Health

AMGOT
15 Army Group
8 August 1943

11301

