

Declassified E.O. 12356 Section 3.3/NND No. 785017

ACC

10000/109/331

FUTUR  
JUNE

Declassified E.O. 12356 Section 3.3/NND No. 785017

10000/109/331

FUTURE ORGANIZATION & FUNCTIONS, AC  
JUNE 1945 - APR. 1946

P.A.

102

Will you try to extract from B. Embassy  
the Hansard in which the Chennellor's  
statement, quoted or referred to by H.E., appears

103

MS 2813

Documents in 102 obtained & seen by  
Ex. Com - no further action. *H.S.*

105

C.S.O. *H.S. 914*  
P. 104 is proved & info for information - *H.S. 8/4.*

61  
C50 - See see 560 for info  
SRS 11/11

64  
C50. Please see 562+63 for info.  
SRR 12/1/46

WHL  
78  
Please see folios 72-77 in Changes in Com Sect.  
SRR 2/2/46

P.A.A.  
V  
For discussion at 0530. 27/2  
WHL 26/2

83  
Ref him 78 - Folio 82 was issued as  
a result of discussion held. Seen by C50.  
SRS 23.  
283

84  
C50. Folio 89 for info. Action taken by Tamm on slipping 4  
upon termination of practice

17/1/46

Walt

7F

C50 - Please see folios 72-77 in Chicago in Com Sect.

skt  
2/2/41

P.A.  
P.A.

V

For discussion at 0930. 27/2

170/20/2

83

Ref him 78 - Folio 82 was issued as a result of discussion held. Seen by C50.

283  
K 23.

19

C50. Folio 89 for info. Action taken by Transit Shipping Co upon termination of activities.

skt  
2/2/41

94

C50. Please see folio 93 in consolidation of Economic Section. Also in P. 90 and tabular on paper the consultant sent to you.

95

Labone.

99

C50 - Pgs should go to 5-6. MS. 6. 12/4 } Done at 100

50

Ex. Com.

folio 46 !! ? to Col. Hancock

for such action as he may consider neccy.

~~30/11~~

30/11

No adv. I think Col Hancock will settle

the matter.

MS (1/11/11) 2/12

52

V.P. Econ. Sec.

Will you ~~copy~~ submit draft reply for E.C. to

Consider - I think we will be welcome in E.C.

MS (1/11/11)

53.

282

TO: Chief Commissioner  
Thru: Executive Commissioner

5 December 45

Draft reply to AFHQ herewith submitted. Please return to me for dispatch.

*Harold G. Penland*  
HAROLD G. PENLAND  
Acting Vice President

*MS*

<sup>30/11</sup>  
No archi. I think (C) the work will settle  
the case. He.  
MS (1/11) 10/12

52

V.P. Ecan. Sec.

Will you ~~copy~~ submit draft reply to CC. to  
Consider - I think we will be content in our  
approach.  
MS (1/11)

282

53.

TO: Chief Commissioner  
Thru: Executive Commissioner

5 December 45

Draft reply to AFHQ herewith submitted. Please return to me for  
dispatch.

Harlan G. England  
HARLAN G. ENGLAND  
Acting Vice President

DEC 7 1945  
11 00 00

56

55 can be the same  
1/12

58

Per (1/11) 10/12  
550  
Re see 57: The urbane approach seems  
to have won the day temporarily.

11/12

9. fact Mr. Benity has overcome insubordination  
MS (1/11) 10/12

26

Ex. Com.  
Pl. see P. 23-24 and  
action taken at P. 25.  
F-111  
S/O.

772 (81x)

(30)

C.S.O.  
Mf 29, this seems to be in the hands of Ex.  
Officer (B) (Col. Jones). I suggest he continue the  
good work.

60, 13/10.

31/

Col. Jones / Is Tim 30 correct? A sincerely  
hope so and shall hate to interfere.

F-111  
- 13/10

280

(32)

Eric Camp.

The matter is being dealt with  
will be shown to you as an early date  
S.E.T.

15/19. BU 25/10. F-111 13/10.

100 (81x)

(30)

C.S.O. /  
July 29, this seems to be in the hands of Ex. Officer (B) (Col Jones). I suggest he continue the good work.

BO. 13/10

31

Col. Jones / Is Tim so correct? A similarity

hope so and shall hate to interfere.  
F. H. T. 13/10

280

(32)

Exec Comm.

The matter is being dealt with  
will be known to you at an early date  
L.E.T.

18/10. BU 25/10. F.H.T. 15/10.

33

C.S.O. to Exec C. My minute 32 refers to the new 1916  
for the whole Administration. Obviously, the Section  
are nominating the officer they wish to retain. I  
cannot decide that for them.

J.H.T.  
17/10

Chief Commissioner

SEP 5 1956

P 4 for reading. If only they would come  
down and visit us B's would know all they  
want to know. However a reply will be drafted  
to your approval and with special reference  
to the final paragraph. MS/Slex.

F.C.

Noted

JWS

cc

7/9

10

Executive Committee

V.P. Est. Section.

279

21

Please prepare draft reply to 4 & 9

for my ~~own~~ consideration MS/Slex.

out to have. However a reply will be drafted  
to your approval and with special reference  
to the final paragraph. MS/SLA

EC.  
Noted MS  
CC  
10

7/9

Executive Commission

279

(21)

V.P. Est. Section

Please prepare draft reply to 489

for my ~~own~~ consideration. MS/879

22



2 like "Function of Section" 12/10/6

We left out 2nd part. Support has  
gone. MS

I agree MS/SLA

611 *df*

104

BRITISH EMBASSY,  
ROME.

335/26/46

4th April, 1946.  
APR 8 1946

My dear Admiral,

I write to acknowledge with thanks, the receipt of your letter no. EX/1.38 of March 15th, in which you were so good as to inform me of the closure of the Labour Sub-Commission of the Allied Commission, as a result of the action arising out of TAM 719 of November 29th 1945 and the termination of Allied Military Government in Northern Italy.

*yours very sincerely*  
*Godfray*

Rear Admiral Ellery W. Stone, K.B.E.,  
U.S.N.R.  
Chief Commissioner,  
Allied Commission,  
Rome.

*Copy to Econ Section*

278

*SK 8/4*  
*(1945 11)*

*9/4*  
*Rep.*

611 ~~56~~

101

706/34/46.CD.

BRITISH EMBASSY,  
ROME.

23rd March, 1946.

MAR 25 1946

95

*My Dear Brigadier*

I have read with interest your note of the 9th March (Ref.611/EC) regarding the continuation of the reconstituted Economic Section to carry out certain functions until such time as the British and American Embassies are in a position to take them over. I observe that the Chief Commissioner has agreed to this course, which also appears to me to be a sensible one. I understand, however, that these suggestions have all now been knocked on the head by the new directive from C.C.S., of which we shall have details one of these days.

With regard to that part of Lt.Col. Tooby's memorandum which refers to Italy's need for substantial foreign credits this year, you will no doubt have seen the statement made in the House of Commons recently by the Chancellor of the Exchequer, according to which the prospects of such assistance being provided by His Majesty's Government are not at all rosy.

*Yours very sincerely*

*Walter Hall*

Brigadier M.S. Lush, C.B., C.B.E.,  
Executive Commissioner,  
Allied Commission Headquarters,  
ROME.

277

See in 102.103.

PC

PA. J  
4

(20)

785017

~~SECRET~~

100

Ref: 611/100/EC.

15 March 1946.

SUBJECT: Economic Section, A.C. - Planning.

TO : G-5 Section,  
A/HQ.

*MR*  
*95698*

The attached correspondence on the above subject is forwarded to you for information.

For the Chief Commissioner:

Brigadier,  
Executive Commissioner.

Incls.

276

*15/3*

~~SECRET~~

98

Ref: 61/EC ✓

9. March 1946.

SUBJECT: Economic Section Planning.

TO : Acting Vice President,  
Economic Section.

97

The Chief Commissioner has read Lieut.Colonel TOOBY's memorandum of 7th March with great interest. He agrees with Lieut.Colonel TOOBY's general conclusions and is as concerned as he is regarding the lacuna which might be caused in the work of economic planning if the Economic Section did not continue the work. He therefore directs that the Economic Section, as reconstituted, should continue the work previously done by Lieut.Colonel TOOBY and his staff until such time as the Allied Commission is directed to transfer such functions to the Embassies and the latter are prepared to assume them.

W. G. L. 1946

WGL/JG.

Brigadier,  
Executive Commissioner.

Copy to: US Embassy } with copy of Lt.Col.  
BR Embassy } Tooby's memorandum.  
C. G. W. C.

275

See h. 99.

See Folder - 101

(CSO)  
Mas.H. 11/13/46

~~SECRET~~

HEADQUARTERS ALLIED COMMISSION  
Economic Section  
APO 394

7 March 1946

TO: Brigadier M. S. Lush, C.B., C.B.E., M.C.  
Executive Commissioner

1. I would like to express to you the deep concern I feel about the withdrawal of the Commission from active participation in planning for the economic recovery of Italy, which has followed the practical abolition on 1 March of the Economic Section as we have known it. This has resulted in the cessation of Anglo-American collaboration with the Italian Government in analysing the country's economic position and in long-term planning for the re-establishment of Italy as a self-supporting unit in the world economy.

2. I believe it to be highly important to Great Britain, to America and to Italy that the latter should continue to receive Anglo-American aid in this sphere until her re-establishment among the nations is secure. It seems to me that, although the United States and the British Commonwealth may not share the same point of view from each of the different angles of strategy, economy, political expediency and humanitarian sentiment, they do have, in total survey, complementary and therefore joint interests in giving generously to Italy whatever help she needs in planning her recovery. For Italy will look for help in planning to the nations to whom she will look for the financial and material aid which must form part of those plans. Up to now it has been perhaps too readily assumed, both by ourselves and by the Italians, that she would count on the aid mainly of the United States and (though to a lesser degree) of the United Kingdom. But already, within the Italian Government, there has emerged the realization that if Italy borrows dollars she must pay back capital and interest in dollars; and that her ability to earn dollars is very limited. In service a large dollar loan Italy must increase enormously her exports (or services) to the Americas. But what Italian exports will the Americas take now in substantially larger amounts than before the war? The problem of Italy's economic recovery is centered around that question. There is a possible alternative solution to the major problem

273

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~~SECRET~~

- 2 -

3. That the present Italian Government is itself anxious to have Anglo-American assistance is evident from the letter of 15 February last to the Acting Vice President of the Economic Section from Minister Gronchi, as president of the Technical Committee of Ministers responsible in the Government for this long-term planning, in which he refers to the assistance given to the Government by Economic Section in the examination of the problems of Italian economic recovery and expresses his "earnest desire that this collaboration may continue in the forms already tried with such satisfactory results in two years of intense activity".

4. It was envisaged by CCAC, in the draft CCS directive set out in TAM 719, that the advisory functions of the Commission in the fields of Industry and Commerce should be transferred to the American and British Embassies. Such a transfer would have assured a continuation of the kind of collaboration I have in mind. In MAT 968 (12 December 1945) AREQ informed CCAC that the Embassies had pointed out that they were not then in a position to assume this function owing to lack of personnel. So far as the British Embassy is concerned this appears still to be true today. In the American Embassy I believe some personnel have been installed, but they do not yet appear to be set up to take over this work on anything like the necessary scale. Therefore, although Allied Commission has withdrawn its assistance, there is practically no American or British assistance available now to the Italian Government to replace it. It is for this reason that I speak of the cessation of Anglo-American collaboration with the Italian Government in this field.

5. It has been said that the assistance in planning which the Italian Government desires could be given by officials of the UNRRA Italian Mission. The objection I see to this arrangement arises from the fact that the great value of our past collaboration, to both sides, has been that British and American collaborators were able to keep the Italian plans under review, report and comment on them to their respective governments, seek official opinion from their governments and arrange for its transmission to the Italian Government and, at each major stage in the planning, give guidance in the drafting of official communications from government to government. They have been able to do this in the past only because they have depended from an organization which had direct official communication with the governments of the US and UK. The UNRRA Italian Mission has no such official channel of communication. Moreover, any official review or comment by UNRRA on Italian plans for economic recovery can only be made after clearance at least with

272

96

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5. It has been said that the assistance in planning which the Italian Government desires could be given by officials of the UNRRA Italian Mission. The objection I see to this arrangement arises from the fact that the great value of our best collaboration, to both sides, has been that British and American collaborators were able to keep the Italian plans under review, report and comment on them to their respective governments, seek official opinion from their governments and arrange for its transmission to the Italian Government and, at each major stage in the planning, give guidance in the drafting of official communications from government to government. They have been able to do this in the past only because they have depended from an organization which had direct official communication with the governments of the US and UK. The UNRRA Italian Mission has no such official channel of communication. Moreover, any official review or comment by UNRRA on Italian plans for economic recovery can only be made after clearance at least with the Central Committee of UNRRA, the members of which represent UK, US, China and USSR. In such conditions I feel that collaboration by officials of the UNRRA Italian Mission would be of little value to either the US or the UK.

6. If it be agreed that effective Anglo-American collaboration should continue, organisational arrangements should be made without delay. The only outside material help that Italy can count on today is the UNRRA 1946 supply program which will have been completed by the end of the

~~SECRET~~

- 3 -

95

the current year. Over and above the UNRRA plan of assistance Italy needs a loan of about \$400 millions to see her through 1946. Even with all this assistance she will not have been able to make more than a start on reconstruction of her ports, public utilities and communications, or reintegrating and modernising her industries. To achieve this Italy needs large foreign loans to finance her recovery effort in 1947 onwards. The Italian Government proposes to base its application for these loans on a total engineering, economic and financial survey from which it will develop a programme of reconstruction spread over a number of years. This planning work will take at least nine months to complete. Unless it is finished by the end of 1946 and the long-term loans obtained, Italy will be back on a relief basis in 1947 and the billion dollars so far voted and half-spent on helping her will, in terms of progress, be practically a dead loss.

7. The arrangements which could be made to provide for a continuation of Anglo-American collaboration along the lines I have here advocated, appear to be as follows:

a. The American and British Embassies each to set up a small group to work with the Italian Government either in a Tri-partite Council, or working unit laterally.

b. As an alternative to (a) until the Embassy groups are fully functioning, to retain the function of this collaboration in Allied Commission so long as the Commission remains in existence.

c. The Italian Government to arrange with the respective governments to hire the services of American or British individuals as "technical advisors" who, in this case, would work in close touch with their respective Embassies.

d. Since it is the only arrangement which will provide for the all-important continuity of collaboration, I would advocate the retention of this function in Allied Commission, at any rate for the time being.

271

*Frank H. ...*

F. W. TOOLEY  
Lt. Colonel, R. A.

*but he says  
...  
...*

The Italian Government proposes to base its application for these loans on a total engineering, economic and financial survey from which it will develop a programme of reconstruction spread over a number of years. This planning work will take at least nine months to complete. Unless it is finished by the end of 1946 and the long-term loans obtained, Italy will be back on a relief basis in 1947 and the billion dollars so far voted and half-spent on helping her will, in terms of progress, be practically a dead loss.

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*Ind. by gite  
Franklin  
retains it (a)  
(b) (a)*

271

*F. W. TOGEY*

F. W. TOGEY  
Lt. Colonel, P. A.

cc: Colonel Charles W. Walton  
Acting Vice President  
Economic Section

611 91

94  
93

Ref: ES/1 38

5 March 1946

SUBJECT: Reorganization of the Economic Section,  
Allied Commission.

MAR 7 1946

TO : AFHQ, D-5

89

Reference is made to my 1472 dated 27 February.

1. As a consequence of the return to Italian Government control of all Italy except Venezia Giulia and Udine, the assumption by UNRRA of the responsibility for the basic supply program in Italian Government territory and the withdrawal of FEA personnel from the Commission (COM 353) I propose to make interim changes in the Economic Section effective 1 March 1946, while awaiting a reply to your MAT 265. Changes are indicated in para 3 below.

2. The functions and activities of the Economic Section are reduced in scope and volume. They will include:

- a. Keeping us informed on the economic conditions in Italy.
- b. Maintaining contact on economic matters with the Italian Government, UNRRA and other successor agencies.
- c. Handling supply arrangements for the remaining AGO territory.
- d. Handling miscellaneous correspondence. This correspondence to include residual matters such as derequisitioning cases, AG/AGO claims and new matters which may arise.
- e. Clearing reserved commodity list items.
- f. Continuing cooperation on electric power rehabilitation and conservation.
- g. Organizing the Economic Section files and records to the end that they may continue to be used by AG and its successor agencies until ultimately disposed of to the archives.

See M 94

(M 11)  
SPH  
11/2/46

92

1a. Discharging remaining responsibilities under PNH 563.

3. The adjustments which I propose to make are:

1a. To retain

(1) The Economic Section with

Colonel Charles W. Walter, 06715 Acting Vice President  
Lt. Col. E. H. L. Timmons 0753545 Deputy Vice President  
and Chief Financial Adviser.

(2) The Captured Enemy Materials Branch.

(3) The Requisition Branch. The principal activity of this branch will be to handle the supply arrangements for AEC territory.

1b. To abolish the Labour Sub-Commission. The work of this Sub-Commission has ceased. Personnel have in part reverted to their normal assignment in the British Embassy.

1c. To convert the following Sub-Commissions into branches of the Economic Section:

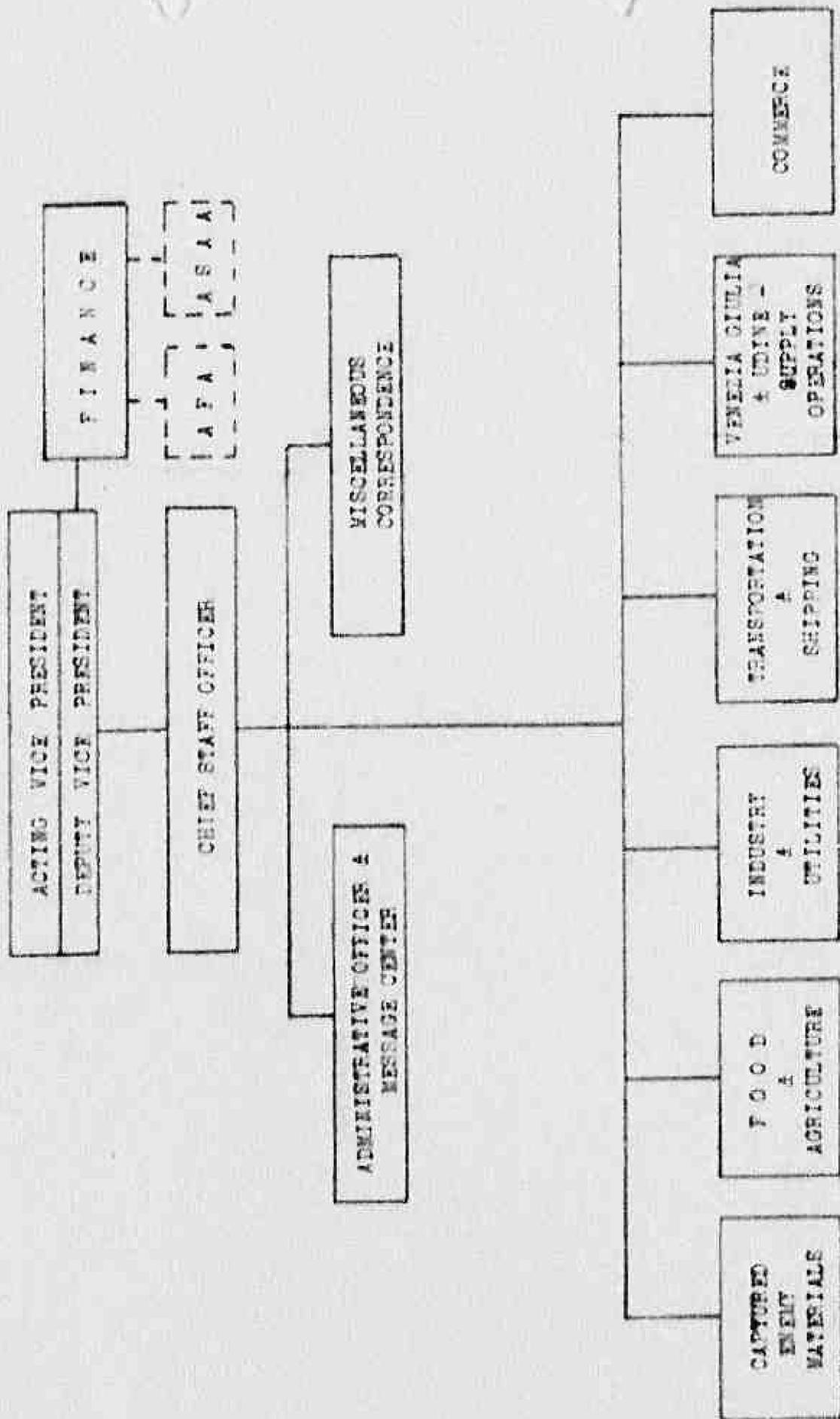
- Food & Agriculture
- Industry & Utilities
- Transportation & Shipping
- Finance
- Commerce

4. It is my policy to streamline closely the correspondence and business of the Section with the objective of cutting off its transactions in instances where suitable successor agencies can be found to assume the functions.

15/ Henry W. Stone  
Rear Admiral, USN  
Chief Commissioner

269

Enclosure: Organization chart.



91  
/

611 51

*Ex. Comm.*  
89

HQ ALCON ~~XXXXXXXXXX~~ SIGNED STONE

27 FEBRUARY 1946-1540 IN

AFHQ GEORGE DASH FIVE

1472

UNCLASSIFIED

3 5 3

REFERENCE COM THREE FIVE THREE OMA MAY NINE SIX FIVE OMA AND FAN FIVE EIGHT THREE PD

PARA ONE PD AS A CONSEQUENCE OF THE RETURN TO ITALIAN GOVERNMENT CONTROL OF ALL ITALY EXCEPT VENEZIA GIULIA AND UDINE OMA AND OF THE ASSUMPTION BY USGRA OF THE RESPONSIBILITY FOR THE BASIS SUPPLY PROGRAM IN ITALIAN GOVERNMENT TERRITORY OMA I PROPOSE TO MAKE THE FOLLOWING INTERIM CHANGES IN ALCON EFFECTIVE ONE MARCH OMA WHILE AWAITING REPLY TO YOUR MAY NINE SIX FIVE PD

PARA TWO PD REMAIN PAREN ABLE PAREN THE ECONOMIC SECTION OMA APPOINTING COLONEL CHARLES WILLIAM WALTON ACTING VICE PRESIDENT PAREN VICE HARLAN CLEVELAND TRANSFERRED TO USGRA PAREN AND LT COLONEL BAKER EAST LOVE TIMMONS DEPUTY VICE PRESIDENT AND CHIEF FINANCIAL ADVISER PAREN VICE COLONEL DENMORE TRANSFERRED TO US PAREN SERICLN PAREN BAKER PAREN CAPTURED ENERGY MATERIALS BRANCH SERICLN PAREN CHARLIE PAREN REQUISITION BRANCH PAREN TO ADMINISTER THE SUPPLY OPERATIONS FOR VENEZIA GIULIA AND UDINE PAREN PD

PARA THREE PD CONVERT THE FOLLOWING SUB DASH COMMISSIONS INTO BRANCHES OF THE ECONOMIC SECTION SERICLN FOOD AND AGRICULTURE OMA INDUSTRY AND UTILITIES OMA TRANSPORTATION AND SHIPPING OMA COMMERCE OMA FINANCE PD

267

PRIORITY

*See Memo 90*

*See F. 93*

*SRH 1/24/46*  
*102 613*  
*546*

SUPPLY GROUP, ECONOMIC SECTION  
*Charles W. Walton*  
CHARLES W. WALTON

G. J. LEONE  
ASST. ADJUTANT  
GEN. USA

88

PAGE TWO

PARA FOUR PD ABOLISH THE LABOUR SUB DASH COMMISSION PD

PARA FIVE PD THE PERSONNEL OF THE ECONOMIC SECTION WILL INCLUDE FIFTEEN EACH BRITISH AND AMERICAN OFFICERS AND TWELVE EACH BRITISH AND AMERICAN OCEB ROGER BLANT EASY MIKE PD THESE FIGURES ARE WITHIN THE WILLIAM EASY AND TENTATIVE TARE ODOE PD UNDER OOM THREE FIVE THREE NO FEA PERSONNEL AVAILABLE AFTER MARCH ONE PD

PARA SIX PD BRIEFLY THE FUNCTIONS ARE OLN PAREN ABLE PAREN TO KEEP ME INFORMED OF THE ECONOMIC SITUATION SEMICLN PAREN BAKER PAREN MAINTAIN CONTACT ON ECONOMIC MATTERS WITH THE ITALIAN GOVERNMENT SEMICLN PAREN CHARLIE PAREN HANDLE SUPPLY ARRANGEMENTS FOR AHO TERRITORY SEMICLN PAREN DOG PAREN HANDLE MISCELLANEOUS CORRESPONDENCE SEMICLN PAREN EASY PAREN CLEAR REL COMMODITIES SEMICLN PAREN FOX PAREN COOPERATE IN ELECTRIC POWER REHABILITATION AND DISTRIBUTION SEMICLN PAREN GEORGE PAREN ORGANIZE AND CLOSE OUT FILES AND RECORDS SEMICLN PAREN HOW PAREN DISCHARGE REMAINING RESPONSIBILITIES UNDER PAN FIVE EIGHT THREE PD

PARA SEVEN PD A MORE COMPLETE OUTLINE WITH ORGANIZATIONAL CHART FOLLOWS BY LETTER I

611 4 2305 40

*Executive Committee*  
*Com in Power* 87

HEADQUARTERS ALLIED COMMISSION  
AFO 394  
Transportation & Shipping Sub-Commission

Tel : 478701  
295/210/Tn ;  
26 February 1946  
MAR 1 1946

SUBJECT : Termination of activities of the Transportation and Shipping Sub-Commission, Allied Commission  
TO : See Distribution

General

1. In furtherance of the policy of handing over to the Italian authorities responsibility for the movement of civilian traffic by rail and sea, all control previously exercised by the Transportation and Shipping Sub-Commission, Allied Commission, will cease with effect from 1 March 1946.
2. It has been recommended to the Minister of Transport and the Director General, Italian Merchant Marine that the principles contained in the existing directives which have been issued by this Sub-Commission should continue to be followed, with any amendments they may deem necessary to meet changing conditions.
3. In order to clarify the future procedure in relation to the previous functions of this Sub-Commission, the following points are given for information of all concerned.

Rail

1. Movement Division (Rail) - Memorandum No 7 (reference 29 <sup>AM</sup> 265) In 3, dated 20 November 1945) and all previous directives issued by this Headquarters on the movement of civilian traffic by rail, will cease to be effective in so far as the Allied Commission is concerned, with effect from 1 March 1946.

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TO : See Distribution

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  - (a) By the ISR through the (Movements) Liaison Office, Rome.
  - (b) By HQ XIII Corps for southbound traffic via Bologna originating in AMG Venezia Giulia Sector, direct to AFHQ, copy to Alcom.
2. Civilian tonnage allocation over the lines Verona-Bologna and Milan-Piacenza-Bologna, will continue to be bid for at the weekly AFHQ Priority of Movement Meetings, in the following way :-
  - (a) By the ISR through the (Movements) Liaison Office, Rome.
  - (b) By HQ XIII Corps for southbound traffic via Bologna originating in AMG Venezia Giulia Sector, direct to AFHQ, copy to Alcom.

See M.92

SPK  
5/3/46

Shipping

1. The diversion of all Extra-Mediterranean ships carrying civil supplies, and the disposal of their cargoes, will in future be handled by the Port and Shipping Division, UNRRA Italian Mission, Rome, to whom all enquiries should be addressed. This Division forms a part of the Sub-Bureau of Supply Operations in the Bureau of Requirements and Distribution, UNRRA, (Italy).
2. Italian overseas and Intra-Mediterranean shipping bids will continue to be dealt with by the Italian Ministries concerned and the Ministry of Marine. The provision of shipping for this theatre will remain a responsibility of UN. Zone 3 Committee, Naples.
3. It has been agreed that the existing Allied Shipping Instructions (Nos 10, 12, 14 and 16) will remain in force for the present, as a basis for future operations in Italian ports and for shipment of civil cargoes to and from Italy, but they may be later amended or cancelled by the Italian Government.

P. D. J. Buchanan  
F.D.G. BUCHANAN, Col.  
Director.

228

86

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Ministry of Transport			
Director General, Italian Merchant Marine (5)			
Director General, ISM (10)			
Co-ve-nc, Via dei Costari 3, Rome (5)			

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Copy to :

External

C-5 AFHQ (2)  
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 G (Movements) Liaison Office, Rome  
 Rome Area Allied Command  
 D.M.H.S.  
 HQ Movimento North Italy  
 Movimento XIII Corps  
 British Embassy, Rome  
 British Embassy, Rome  
 SCITO (ORMO.) Italy



85

611. 8763, 212, 91

HEADQUARTERS ALLIED COMMISSION  
APO 394  
FINANCE SUB COMMISSION

1. March 1946

13003/2

L. 1946

SUBJECT : Routing of Correspondence.

TO : All Concerned.

1. The Finance Sub Commission of the Allied Commission formerly included two functions which have recently been placed under AFHQ:

(a) the function of accounting for civilian supplies made available to the Italian civil population, which now comes under the Allied Supply Accounting Agency

(b) the supply of lire currency to the Allied Forces in Italy, and various related technical functions, which is the responsibility of the Allied Financial Agency.

Both ASAA and AFA will continue to be located in Rome and attached to the Allied Commission.

2. It is desirable that correspondence pertaining to Allied Supply Accounting Agency and Allied Financial Agency matters be addressed directly to these Agencies instead of through the message center of the Finance Sub-Commission as at present.

3. It is therefore requested that all correspondence and documents on matters of civilian supply accounting be addressed to the Allied Supply Accounting Agency. Mac 262 such correspondence was formerly addressed to the Chief Accountant, Allied Commission, and should now be readdressed.

4. All correspondence on the following questions should in future be addressed to the Allied Financial Agency:

- (a) the supply of lire currency to the Allied Forces
- (b) redemption of counterfeit notes

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- (a) the function of accounting for civilian supplies made available to the Italian civil population, which now comes under the Allied Supply Accounting Agency

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Both ASAA and AFA will continue to be located in Rome and attached to the Allied Commission.

2. It is desirable that correspondence pertaining to Allied Supply Accounting Agency and Allied Financial Agency matters be addressed directly to these Agencies instead of through the message center of the Finance Sub-Commission as at present.

3. It is therefore requested that all correspondence and documents on matters of civilian supply accounting be addressed to the Allied Supply Accounting Agency. Mac **262** such correspondence was formerly addressed to the Chief Accountant, Allied Commission, and should now be readdressed.

4. All correspondence on the following questions should in future be addressed to the Allied Financial Agency:

- (a) the supply of lire currency to the Allied Forces
- (b) redemption of counterfeit notes
- (c) destruction of mutilated or foul currency
- (d) seized or confiscated enemy funds
- (e) funds taken from Allied ex POW.

5. In addition, questions relating to the expenditure of AC/AMS funds will continue to be handled by the Financial Accounting Unit of the Allied Financial Agency. Therefore AC/ALG Sub Accountants' reports, etc., will be addressed to AFA.

11A  
S. H. J. 715

6. Correspondence for both ASAA and APA will be marked "c/o HQ Allied Commission, APO 394" and will be appropriately routed by the AICOM message center.

*RECEIVED*  
Director,  
Finance Sub Commission.

TEH

Distribution:

- Allied Supply Accounting Agency (5)
- Allied Financial Agency (5)
- S.C.A.C. AND Venezia Giulia (For CPO) (5)
- Prov. Commissioner AMG UDINE Province (1)
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- Establishment Section, AICOM (1)
- Director each Sub Commission, AICOM (1)
- G-5 (Financial Adviser) A.P.H.Q. (5)
- D.F.I.C. GHQ C.M.F. (25)
- Financial Adviser (Pr) G.H.Q., C.M.F. (3)
- G.H.Q. (for Q (AE) and Q (Maint)) (3)
- Fiscal Director, MTCUSA (25)
- MTCUSA (for G-4) (3)
- Fiscal Director PBS (1)
- HQ PBS, APO 782 (1)
- HQ Auxiliary Troops Sub Command (1)
- (Central Records Section)

Director,  
Finance Sub Commission.

761

Distribution:

- Allied Supply Accounting Agency (5)
- Allied Financial Agency (5)
- S.C.A.O. AMG Venezia Giulia (For CFO) (5)
- Prov. Commissioner AMG UDINE Province (1)
- ALCOM Chief Liaison Officer Naples (1)

- Livorno (1)
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- Lombardia (1)
- Belzano (1)
- Venezia (1)
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- Pari (1)
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- Executive Commissioner
- A/VF Economic Section (1)
- Civil Affairs Section, ALCOM (1)
- Establishment Section, ALCOM (1)
- Director each Sub Commission, ALCOM (1)
- G-5 (Financial Adviser) A.F.H.Q. (5)
- D.P.I.C. GMQ C.M.F. (25)
- Financial Adviser (Br) G.H.Q., C.M.F. (3)
- G.H.Q. (for Q (AE) and Q (Maint)) (3)
- Fiscal Director, MFOUSA (25)
- MFOUSA (for G-4) (3)
- Fiscal Director FIS (1)
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- HQ Auxiliary Troops Sub Command (1)
- (Central Records Section)
- Southern District I.D.S.
- APO 782

- Ministry of the Treasury (5)
- Ministry of Finance (5)
- IGF Accounts Office (1)
- Allied Screening Commission (1)
- U.S. Claims Service (1)
- Claims and Hirings (Br) (1)
- No. 8 Command Pay Office (5)

27 FEBRUARY 1946-1540

FROM: HQ ALCON STINSD STONE

TO : AFHQ GEORGE DASH FIVE

1472

UNCLASSIFIED

MAR 1 1946

REFERENCE FROM THREE FIVE THREE CMA HAS NINE SIX FIVE CMA AND PAR FIVE EIGHT THREE PD

PARA ONE PD AS A CONSEQUENCE OF THE RETURN TO ITALIAN GOVERNMENT CONTROL OF ALL ITALY EXCEPT VENEZIA GIULIA AND UDINE CMA AND OF THE ASSUMPTION BY UNRAA OF THE RESPONSIBILITY FOR THE BASIC SUPPLY PROGRAM BY ITALIAN GOVERNMENT TERRITORY CMA I PROPOSE TO MAKE THE FOLLOWING INTERIM CHANGES IN ALCON EFFECTIVE ONE MARCH CMA WHILE AWAITING REPLY TO YOUR MAT NINE SIX FIVE PD

PARA TWO PD RETAIN PAREN AS IS PAREN THE ECONOMIC SECTION CMA APPOINTING COLONEL CHARLES WILLIAM WILSON ACTING VICE PRESIDENT PAREN VICE MARSHAL CLEVELAND TRANSPARENT TO UNRAA PAREN AND LT COLONEL BAKER EASY LOVE TIMMONS DEPUTY VICE PRESIDENT AND CHIEF FINANCIAL ADVISER PAREN VICE COLONEL DENSMORE TRANSPARENT TO US PAREN SEMICHA PAREN BAKER PAREN CAPTURED ENEMY MATERIAIS BRANCH SEMICHA PAREN CHARLIE PAREN REQUISITION BRANCH PAREN TO ADMINISTER THE SUPPLY OPERATIONS FOR VENEZIA GIULIA AND UDINE PAREN PD

PARA THREE PD CONVERT THE FOLLOWING SUB DASH CO MISSIONS INTO BRANCHES OF THE ECONOMIC SECTION SEMICHA FOOD AND AGRICULTURE CMA INDUSTRY AND UTILITIES CMA TRANSPORTATION AND SHIPPING CMA COMMERCE CMA FINANCE PD

PARA FOUR PD ABOLISH THE LABOR SUB DASH CO MISSION PD

PARA FIVE PD THE PERSONNEL OF THE ECONOMIC SECTION WILL INCLUDE FIFTEEN EACH BRITISH AND AMERICAN OFFICERS AND TWELVE EACH BRITISH AND AMERICAN ONCE ROYAL BLANT EASY VICE PD THESE FIGURES ARE WITHIN THE WILLIAM EASY AND TENTATIVE PARAS ONCE PD UNDER CO THESE FIVE THREE NO SEA PERSONNEL AVAILABLE AFTER MARCH ONE PD

PARA SIX PD BRIEFLY THE FUNCTIONS ARE CMA PAREN ARE TAKEN TO KEEP IN IMPROVED OF THE ECONOMIC SECTION SEMICHA PAREN BAKER PAREN WILSONS COMPLET ON ECONOMIC MATTERS WITH THE ITALIAN GOVERNMENT SEMICHA BAKER CHARLIE PAREN HANDLE SUPPLY ARRANGEMENTS FOR AND TERRITORY SEMICHA PAREN DOG PAREN HANDLE MISCELLANEOUS CORRESPONDENCE SEMICHA PAREN EASY PAREN CMA ALL COMMODITIES SEMICHA PAREN FOX PAREN COORDINATE IN ELECTRIC POWER REGULATION AND DISTRIBUTION SEMICHA PAREN GEORGE PAREN ORGANIZE AND CLOSE OUT FILES AND RECORDS SEMICHA PAREN HOW PAREN DISCHARGE REMAINING RESPONSIBILITIES UNDER PAR FIVE EIGHT THREE PD

PARA SEVEN PD I HAVE COMPLETE OUTLINE WITH ONE ADDITIONAL SHEET FOLLOWS BY LETTER PD

PRIORITY  
 SUTLY GROUT, ECONOMIC SECTION  
 546      CHARLES F. WILSON

G.J. LEONE  
 ASST. ADJUTANT  
 GPO, WASH.

OF ALL ITALY EXCEPT VENEZIA GIULIA AND UMBRIA AND OF THE ASSUMPTION BY UMBRIA OF THE RESPONSIBILITY FOR THE BASIC SUPPLY PROGRAM IN ITALIAN GOVERNMENT TERRITORY CVA I PROPOSE TO MAKE THE FOLLOWING INTERIM CHANGES IN ALLOC EFFECTIVE ONE MONTH CVA WHILE WAITING REPLY TO YOUR MAY NINE SIX FIVE PD

PAR. TWO PD RETURN PAREN ABLE PAREN THE ECONOMIC SECTION CVA APPOINTING COLONEL CHARLES WILLIAM MILTON ACTING VICE PRESIDENT PAREN VICE HURLAN CLEVELAND TRANSFERRED TO UMBRIA PAREN AND LT COLONEL BAKER EASY LOVE TIMMONS DEPUTY VICE PRESIDENT AND CHIEF FINANCIAL ADVISER PAREN VICE COLONEL DENSAONE TRANSFERRED TO US PAREN SENIOR PAREN BAKER PAREN CAPTURED ENEMY MATERIALS BRANCH SENIOR PAREN CHARLES PAREN REQUISITION BRANCH PAREN TO ADMINISTER THE SUPPLY OPERATIONS FOR VENEZIA GIULIA AND UMBRIA PAREN PD PAR. THREE PD CONVERT THE FOLLOWING SUB DASH COMMISSIONS INTO BRANCHES OF THE ECONOMIC SECTION SENIOR FOOD AND AGRICULTURE CVA INDUSTRY AND UTILITIES CVA TRANSPORTATION AND SHIPPING CVA COMMERCE CVA FINANCE PD PAR. FOUR PD ABOLISH THE LABOR SUB DASH COMMISSION PD PAR. FIVE PD THE PERSONNEL OF THE ECONOMIC SECTION WILL INCLUDE FIFTEEN EACH BRITISH AND AMERICAN OFFICERS AND TWELVE EACH BRITISH AND AMERICAN ONCE ROSE CLAY EASY THE PD THESE FIGURES ARE WITHIN THE WILLIAM SASI AND TENTATIVE LEE ONE PD UNDER CO THREE FIVE THREE NO PEA PERSONNEL AVAILABLE AFTER WHICH ONE PD PAR. SIX PD BRIEFLY THE FUNCTIONS ARE CVA PAREN ABLE TAKEN TO KEEP ME INFORMED OF THE ECONOMIC SITUATION SENIOR PAREN BAKER PAREN MAINTAIN CONTACT ON ECONOMIC MATTERS WITH THE ITALIAN GOVERNMENT SENIOR PAREN CHARLES PAREN HANDLE SUB BY ARRANGEMENTS FOR AND TERRITORY SENIOR PAREN DASH I AM HANDLE MISCELLANEOUS CORRESPONDENCE SENIOR PAREN EASY PAREN CLEAR ROY COMMODITIES SENIOR PAREN FOX PAREN OCCUPY IN ELECTRIC POWER REGULATION AND DISTRIBUTION SENIOR PAREN BONGIO PAREN COMMERCE AND CLOSE OUT FILES AND RECORDS SENIOR PAREN HOY PAREN DISCHARGE REMAINING RESPONSIBILITIES UNDER PAR FIVE EIGHT THREE PD PAR. SEVEN PD MORE COMPLETE OUTLINE WITH ORGANIZATIONAL CHART FOLLOWS BY LETTER PD

PRIORITY  
SUTLEY GROUP, ECONOMIC SECTION  
546 CHARLES W. MILTON  
G. J. LEONE  
ASST. ADJUTANT  
CNO, USA.

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(Lec) 4/15/54  
288.713

82

RESERIALIZED  
HEADQUARTERS ALLIED COMMISSION  
APO 194

EXECUTIVE ORDERS)

1 March 1946

NUMBER : 9)

- I Appointment of Acting Vice-President, Economic Section....I
- Appointment of Deputy Vice-President, Economic Section....II
- Appointment of Chief Staff Officer, Economic Section....III
- Abolition of Supply Group, Sub-Commissions, and other units of the Economic Section.....IV
- Creation of Certain Branches within the Economic Section..V

I - APPOINTMENT OF ACTING VICE-PRESIDENT, ECONOMIC SECTION

Announcement is made of the appointment of Colonel Charles W. WALTON, 06715, (A), as Acting Vice-President, Economic Section, vice Mr. Harlan CLEVELAND, (A), relieved.

II - APPOINTMENT OF DEPUTY VICE-PRESIDENT, ECONOMIC SECTION

Announcement is made of the appointment of Lt. Col. B.E.L. TIMMONS, 0-353545, (A), as Deputy Vice-President, Economic Section, vice Col. L.D. DENSMORE, C-181447, (A), relieved.

III- APPOINTMENT OF CHIEF STAFF OFFICER, ECONOMIC SECTION

Announcement is made of the appointment of Major Norman R. SMITH, 0-364499, (A), as Chief Staff Officer, Economic Section, vice Mr. Elwood HOLSTEIN, (A), relieved.

IV - ABOLITION OF SUPPLY GROUP, SUB-COMMISSIONS, AND OTHER UNITS OF THE ECONOMIC SECTION

260

The following Group (including all Branches), Sub-Commissions, and other units of the Economic Section are hereby abolished, as well as all appointments connected thereto:

Supply Group

Abolition of Supply Group, Sub-Commissions, and other units of the Economic Section.....IV  
Creation of Certain Branches within the Economic Section..V

I - APPOINTMENT OF ACTING VICE-PRESIDENT, ECONOMIC SECTION

Announcement is made of the appointment of Colonel Charles W. WALTON, 06715, (A), as Acting Vice-President, Economic Section, vice Mr. Harlow CLEVELAND, (A), relieved.

II - APPOINTMENT OF DEPUTY VICE-PRESIDENT, ECONOMIC SECTION

Announcement is made of the appointment of Lt. Col. B.E.L. TIMMONS, 0-353545, (A), as Deputy Vice-President, Economic Section, vice Col. L.D. DENSMORE, 0-181447, (A), relieved.

III- APPOINTMENT OF CHIEF STAFF OFFICER, ECONOMIC SECTION

Announcement is made of the appointment of Major Norman R. SMITH, 0-364499, (A), as Chief Staff Officer, Economic Section, vice Mr. Elwood HOLSTEIN, (A), relieved.

IV - ABOLITION OF SUPPLY GROUP, SUB-COMMISSIONS, AND OTHER UNITS OF THE ECONOMIC SECTION 260

The following Group (including all Branches), Sub-Commissions, and other units of the Economic Section are hereby abolished, as well as all appointments connected thereto:

- Supply Group
  - Price Control Branch
  - Captured Enemy Materials Branch
  - Program Coordination Branch
  - Requisition Branch
  - Surplus and Special Materials Branch
- Food & Agriculture Sub-Commission
- Industry and Utilities Sub-Commission
- Transportation and Shipping Sub-Commission
- Commerce (Foreign Trade) Sub-Commission
- Labor Sub-Commission

*Handwritten signature and date: J.A. [unclear] 2/23*

(EC)

Finance Sub-Commission  
Administration and Personnel Branch  
Special Staff to Chief Staff Officer

V - CREATION OF CERTAIN BRANCHES WITHIN THE ECONOMIC SECTION

The following Branches are hereby created within the Economic Section and the indicated appointments are made:

- Industry & Utilities Branch -  
Col. R.M. VALDER, 0208061, (A), Director.
- Transportation and Shipping Branch -  
Lt. Col. T.P. SCOTTINGS, 0-277640, (A), Director.
- Food & Agriculture Branch -  
Lt. Col. V.R.A. COWPER, 116713, R.A.O.C., (B), Director.
- Captured Enemy Materials Branch -  
Lt. Col. J.A. CAMPBELL, 106939, H.L.I., (B), Director.
- Commerce (Foreign Trade) Branch -  
Capt. A.G. LAPHORNE, 307405, R.A.O.C., (B), Director.
- Venezia Giulia and Udine, Supply Operations Branch -  
Lt. J.M. AUBENBERG, 01328667, (A), Director.
- Finance Branch -  
Lt. Col. B.E.L. TIMMONS, 0-353545 (A), Director  
and Chief Financial Adviser to the Administration.

*Henry W. Stone*  
SAUL W. STONE  
Rear Admiral, USNR,  
Chief Commissioner.

Distribution:

11/11

81

ECONOMIC SECTION  
ALLIED COMMISSION

List of Officers  
AC Rome

ECONOMIC SECTION

- Charles W. Walton Colonel (A) A/IT
- R. E. L. Plemens Lt. Col. (A) D/IT
- Norman R. Smith Major (A) CSO

Miscellaneous Correspondence

- Thomas D. Morgan Captain (A) Staff Officer
- Vacant (B) " "

Message Center

- Joseph Barber Lt. Lt. (A) Administrative Officer
- Vacant (B) " "

INDUSTRY AND UTILITIES

Industry

- T. B. Elliot Captain (A) Chief Industry Officer

Utilities

- G. F. Parker Colonel (A) Chief Utilities Officer. Also Deputy Director I & U
- L. W. Laughlin Major (A) Asst to Chief Utilities Officer

Fuels

- H. V. Walker Colonel (A) Chief Fuels Officer. Also Director I & U
- J. W. Jones Major (B) Coal Officer
- J. Riddell Major (B) Coal Officer
- J. R. Cowlin Captain (B) PCL Officer

TRANSPORTATION AND SHIPPING

- W. P. Scoggins Lt. Col. (A) Director
- A. H. Street Lt. Col. (B) Deputy Director
- S. C. Hall Captain (A) Staff Officer

• 259

CAPTURED ENEMY MATERIALS

- J. A. Campbell Lt. Col. (B) Director
- F. C. G. Bates Major (B) Deputy Director
- H. D. Phillips Lt. Lt. (B) Staff Officer
- E. S. Pine-Coffin Lt. Lt. (B) Staff Officer
- F. A. Gross Lt. Lt. (A) Staff Officer

80

FOOD AND AGRICULTURE

- V. R. A. Cowper Lt. Col. (B) Director
- H. H. Snapp Lt. Col. (A) Deputy Director
- H. J. Curran Major (A) Staff Officer

VENEZIA GIBLIA, DOME - SUPPLY OPERATIONS

- L. W. Guller Captain (A) Director
- James W. Arensberg 1st. Lt. (A) Deputy Director
- Vacant (B)

COMMERCE

- A. G. Lophthorne Captain (B) Director

FINANCE

- H. B. L. Timmons Lt. Col. (A) Director. Also D/VP Economic Section
- Vacant (B) Dep. Director

\*\*\*\*\*

	American			British	
	Positive	T/O. Required	W/E	Required	
Colonel	^ 3	3	1	1	
Lt. Col.	3	3	5	4	
Major	3	3	10	4	
Captain	4	3	10	4	
1st. Lt.	6	3	1	2	
	<u>13</u>	<u>15</u>	<u>27</u>	<u>15</u>	

HEADQUARTERS ALLIED COMMISS  
APO 394  
Office of the Executive Commissioner

442 1 011  
H

Ref: 611/71/80.

16 February 1956.

From: Chief Commissioner.

1. I attach memorandum from Harlan Cleveland which I have discussed with him briefly. The memorandum sets forth very clearly the fading out of the functions of the Economic Section.
2. On first impression I am in agreement with the recommendation made in 11(c) and with your approval I will hold a preliminary discussion with Mr. Cleveland and the officers concerned, early next week.

> M. & L

WEL/30.

I agree, but assume  
This would have to be approved  
by AFHQ before implementation

23 IF

Wij 255

PA

Please arrange meeting - Thursday 2 6.6 to me  
Wednesday

WEL/30  
See 80 81 82

611

77

HEADQUARTERS ALLIED COMMISSION  
APO 394  
ECONOMIC SECTION

FEB 26 1946

Tel: 48901 Ext. 546

25 February 1946

Ref: 13/1.38

MEMORANDUM

SUBJECT : Changes in the Economic Section.

TO : Chief Commissioner, HQ A.C.

1. With the return of all Italy except Venezia Giulia/Trine to the Italian Government and with the assumption of responsibilities for the supply of Italy by UNRRA it is apparent that many changes can be made in the Economic Section.

2. It is proposed that the Economic Section be continued, that there be an Acting Vice-President and Deputy Vice-President and that a group of staff and technical specialists be retained to carry on the work of the Section.

3. It is further proposed that the following Sub-Commissions be abolished :

- Food & Agriculture Sub-Commission
- Industry & Utilities
- Transportation & Shipping
- Finance
- Commerce
- Labour

From each of these Sub-Commissions, required personnel will be held to ensure that a specialist is present to handle the former Sub-Commission problems.

4. Scope and volume of activities. It is believed that the scope of activity will be considerably reduced because operating problems will have disappeared except in VG/Trine. On the other hand the scope of "operating" and advisory activities will probably be as far reaching as before. The volume should be considerably reduced. Briefly stated the functions will include :

253

a. Keeping abreast of the Economic situation in Italy in

See 1078 779

(10034) 9M 24/46

76

order to advise the Chief Commissioner of existing conditions.

b. Maintaining contact with the Italian Government and with UNRRA, as the principal supply agency, in order better to assist both the Italian Government and UNRRA.

c. ~~Administering~~ <sup>Arrangements for</sup> the supply program for ABC territory. (VO/lt).

d. Handling miscellaneous correspondence. This correspondence will include residual matters pertaining to ABC claims, and new matters which will inevitably arise.

e. Clearing reserved commodity list items.

f. Continuing cooperation on electric power rehabilitation and distribution in Italy.

g. Organizing the files and records to the end that they may continue to be used by AC/UNRRA and ultimately disposed of to the Archives.

h. General policy subject to your approval: It will be the general policy of the Economic Section, to scrutinize closely the correspondence and other business which arises in the Section with a view to cutting off transactions where another suitable agency can be found to carry on.

i. There are attached hereto:

A draft of an organizational chart.

A table showing the Officer personnel required in the Economic Section, Rome

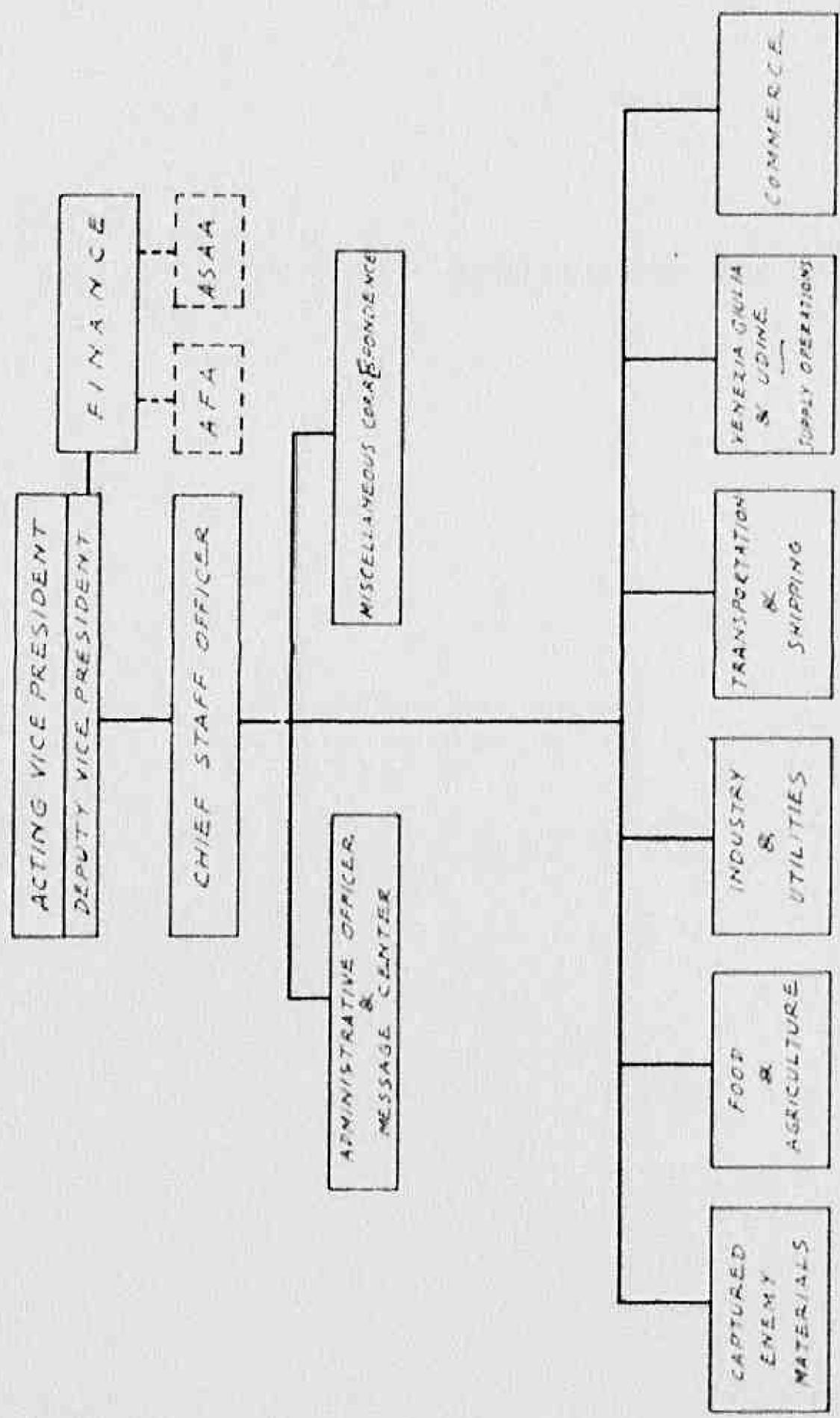
A table showing the Officer personnel required in the Economic Section, Outside Rome and other than Venezia Giulia and Udine.

Charles W. Walter  
CHARLES W. WALTER  
Colonel A. C.  
Chief Supply Group

251

Concurred:

Harold Cleveland



----- AFHQ

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ECONOMIC SECTION  
ALLIED OCCUPATION

List of Officers  
AC Home

ECONOMIC SECTION

Charles W. Walton Colonel (A) A/VP  
P. E. L. Timmons Lt. Col. (A) D/VP  
Norman R. Smith Major (A) CSC

Miscellaneous Correspondence

*2 Box*

Thomas D. Morgan Captain (A) Staff Officer

Message Center

Joseph Duffer Lt. Lt. (A) Administrative Officer

INDUSTRY AND UTILITIES

Industry

T. G. Elliot Captain (B) Chief Industry Officer

*3 B/WE*

Utilities

C. F. Parker Colonel (A) Chief Utilities Officer, Also Deputy Director I & U  
L. W. Laughlin Major (A) Asst to Chief Utilities Officer

Fuels

H. M. Walker Colonel (A) Chief Fuels Officer, Also Director I & U  
J. W. Jones Major (B) Coal Officer  
J. Riddell Major (B) Coal Officer  
J. B. Cowlin Captain (B) PCL Officer

*3 B/WE*

TRANSPORTATION AND SHIPPING

W. P. Scoggins Lt. Col. (A) Director  
A. H. Street Lt. Col. (B) Deputy Director  
S. C. Hall Captain (A) Staff Officer

*4 B/WE*

CAPTURED ENEMY MATERIALS

J. A. Campbell Lt. Col. (B) Director  
E. C. G. Bates Major (B) Deputy Director  
H. D. Phillips Lieut. (B) Staff Officer  
R. J. Pine-Coffin Lieut. (B) Staff Officer  
P. A. Gross Lt. Lt. (A) Staff Officer

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FOOD AND AGRICULTURE

V. R. A. Cowser Lt. Col. (B) Director  
 R. R. Snapp Lt. Col. (A) Deputy Director  
 E. J. Curran Major (A) Staff Officer

B/W E 4

VENEZIA GIULIA, IBINE—SUPPLY OPERATIONS

L. W. Oakley Captain (A) Director  
 James M. Arensberg Lt. Lt. (A) Deputy Director

COAST GUARD

A. G. Laphorne Captain (B) Director

B/W E 3

FINANCE

B. E. L. Timmons Lt. Col (A) Director. Also D/VP Economic Section

\* \* \* \* \*

	American		British	
	Tenative T/O	Required	W/E	Required
Colonel	3	3	1	0
Lt. Col.	3	3	5	3
Major	3	3	10	34
Captain	4	3	10	34
Lt. Lt.	$\frac{0}{13}$	$\frac{3}{15}$	$\frac{1}{27}$	$\frac{2}{1113}$

72

ECONOMIC SECTION  
ALLIED COMMISSION

List of Officers  
Outside Rome and other than Venezia Giulia and Udine.

INDUSTRY AND UTILITIES

Fuels

R. T. Harris Major (B) Coal Officer Milan

TRANSPORTATION

T. E. Ramsey Captain (A) Naples  
W. J. D. Evans Lieut. (B) Venice

CAPTURED ENEMY MATERIALS

I. T. Howarth Major (B) Milan  
D. S. Strachan - Audas Major (B) Milan  
V. S. Booth Captain (B) Milan  
J. P. S. Moore Captain (B) Bolzano  
A. Fryer Captain (B) Milano  
J. S. Wardini 1st. Lt. (A) Bolzano  
R. K. Burbino 1st. Lt. (A) Bolzano

FOOD & AGRICULTURE

R. E. H. Horn Lt. Col. (B) Venice  
H. E. Richert Captain (A) Venice

-----

	American Required	W/S	British Required
Lt. Col.		1	
Major		4	247
Captain	2	2	3
1st Lt.	2	1	1

71

Ref: 6/11/71/EC

16 February 1946.

Chief Commissioner.

70

1. I attach memorandum from Marlan Cleveland which I have discussed with him briefly. The memorandum sets forth very clearly the fading out of the functions of the Economic Section.

2. On first impression I am in agreement with the recommendation made in 11(c) and with your approval I will hold a preliminary discussion with Mr. Cleveland and the officers concerned, early next week.

(Sgt) M. S. LUSH

MSL/JG.

See 79.

246

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GA  
19/2  
1946

HEADQUARTERS ALLIED COMMISSION  
APO 394  
ECONOMIC SECTION

HC/sc

14 February 1946

DRAFT  
MEMORANDUM

TO : Acting Chief Commissioner

SUBJECT: The Economic Section

1. You will remember that during the long period while we were waiting for a directive closing up AMG in the North, our AMG operations in that area were largely turned over in practice to the Italian local authorities, and our "Allied Military Government" became a very thin skeleton indeed, due to redeployment and to the many anticipatory steps which we had taken, to close down the "show" in the North. The same process is now going on in the Economic Section.

2. For nearly a month and a half now, at the direction of the Chief Commissioner and yourself, we have been pointing at 1 March as a date for the abolition of the Economic Section on the assumption that, before now, we would have received the FAN directive heralded by TAM 719. It is now important to review that earlier decision in view of the somewhat different circumstances with which we are now faced. Even if no directive reaches us by 1 March, all but a few of the Allied Commission's economic functions will have died, or be on the point of death -- killed by under-work. In point of fact, very little of the <sup>economic</sup> work now going on in the Allied Commission structure is A.C. work. Thus, officers and civilians with two hats are in fact spending most of their time on UNRRA work. In the next few paragraphs I would like to present an inventory of present status of work in each of the major sub-divisions of the Economic Section.

- 2 -

1. FOOD AND AGRICULTURE SUB-COMMISSION

All A. C. agricultural work has already ceased in practice. On the food side, the remaining A. C. problems are the distribution of the January shipments of FEA wheat, and the feeding of the Italian armed forces. This problem will be largely finished by 1 March.

There are four food liaison officers in the field. This function of observing in the field will be carried on by UNRRA and can be transferred to UNRRA at any time.

2. TRANSPORTATION SUB-COMMISSION

As A. C., the transportation people in the Economic Section are still handling the remaining cargoes on the FEA program and two or three U. K.-arranged shipments under the basic program. The arrival of ships on an A. C. basis will be roughly, according to the schedule in Appendix A. attached. It can be seen from this list that the number of ships arriving after 1 March will be very small. The reception procedures for them should be handled by the same group that is now handling them and which is also beginning to handle the UNRRA shipments as they arrive.

On the internal transport (road and rail) side, the remaining A. C. work can be closed out by 1 March -- and is in fact largely non-existent today.

The Transportation Sub-Commission has a number of liaison officers in the field, attached to A. C.'s Chief Liaison Officers. Some of these officers, or their functions, may be continued by UNRRA. I do not think there is much reason to keep them in the field any longer on an A. C. basis.

- 3 -

3. INDUSTRY AND UTILITIES SUB-COMMISSION

(a) Industry Department Except for the cleaning up of a few de-requisitioning cases <sup>in</sup> for which we are still directly involved, personnel of the Industry Department (nearly all of whom are transferring to UNRRA) are already operating largely as the Division of Industries in the UNRRA set-up. The de-requisitioning cases referred to will be cleaned up by 1 March and no further direct participation by Allied Commission in such cases is contemplated.

(b) Fuel Division On the PQL side, this has already become an entirely UNRRA shop. In connection with coal, there is still the pulling together of monthly requirements for all the various programs in Italy, including U. S. military, British military and Venezia-Giulia and Udine; but each of these programs is now handled operationally by the military headquarters concerned. On an UNRRA basis, the Fuel Division can continue to pull together total requirements primarily as a service to the European Coal Organization. So the only remaining A. C. coal problem is the reception and distribution of the coal still arriving on an FEA basis. The last coal ship should arrive on this basis around 1 March.

(c) Public Works and Utilities Department This department is engaged in answering spot requests for information and preparing a final report.

(d) Department of Special Projects This group was <sup>2/3</sup> ~~2/3~~ set up as the forerunner of groups that may be set up in the embassies to give economic and industrial advice to the Italian Government. On the American side, this function can be transferred to the Embassy at any time; and some of the preliminary <sup>administrative</sup> ~~administrative~~ <sup>to this end</sup> ~~to this end~~ <sup>British</sup> ~~British~~ arrangements have been made. No Embassy personnel

- 4 -

are involved, nor has the British Embassy indicated that it has instructions to assume such a function. The ~~fact~~ of this function generally, in Rome, is, of course, partly tied up with the ~~fact~~ of Ambassador Kirk's proposal for a Tripartite Economic Advisory Council.

4. SUPPLY GROUP (STAFF BRANCHES)

(a) Requisition Branch This is transferring to UNRRA and is <sup>concentrating</sup> ~~centering~~ largely on setting up the UNRRA Supply Budget for 1946, and the record-keeping and supply-accounting procedures to go with it. The Branch is attempting to put the records on YF procurement in shape, with a view to making them available to the Italian Government -- since the Government is now taking over full responsibilities for the procurement from this troop pay account, as of 1 February. On the YB program (GIAC/YEA), the Requisition Branch has a useful file in connection with the few remaining shipments being received, but a little more work has to be done in this connection.

(b) Program Coordination Branch Personnel of this branch are already working full time on UNRRA matters -- since this <sup>was</sup> ~~is~~ primarily an advance planning group.

(c) Captured Enemy Materials Branch It is still our <sup>recommendation</sup> request that this branch be turned over to AFHQ. Meanwhile, it is continuing to arrange for the transfer of surplus property from the military to ARAR, and it is also responsible for the HMK files, with which you are familiar.

(d) Surplus and Special Materials Branch <sup>The</sup> ~~A~~ surplus function is dead as far as A. C. is concerned, though there is considerable activity on this front on an UNRRA basis. The "special materials" 242

- 5 -

function is being merged into the Consumer Goods Division of the new UNRRA set-up. This group has been cleaning up the records on tire allocations for which it has been responsible. This job is nearly completed.

5. LABOR SUB-COMMISSION

As you know, plans were laid for the abolition of the Labor Sub-Commission on 21 January. It can be abolished any day. The remaining functions have already, in practice, reverted to the Embassies.

6. COMMERCE (FOREIGN TRADE) SUB-COMMISSION

The only remaining function of this sub-commission is the referral to Washington for clearance of Italian trade items still on the reserved commodity list. We have been placed on notice in TAM \_\_\_\_\_ that even this function will be <sup>removed</sup> ~~requested~~ soon by a note through diplomatic channels to the Italian Government.

7. FINANCE

The Chief Financial Advisor still has the function of supervising the Allied Supply Accounting Agency and the Allied Financial Agency, both of which are AFHQ agencies. He also gets a small volume of business growing out of his work as Financial Advisor to the Commission and to AMG, Venezia-Giulia.

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- 8 -

8. The function of acting as Headquarters for Venezia-Giulia and Udine is not proving to be an important one in practice. Supply arrangements for Venezia-Giulia are made directly between 13th Corps and G-5. We have been asked to participate directly in certain matters involving relationships with the Italian Government and this will presumably be a continuing function as long as the Commission remains.

\*\*\*

9. On 1 March, therefore, even if no administrative steps are taken, and no directives are received, the flesh on the skeleton of the Economic Section will consist of the following:

- (a) Reception arrangements for not more than a dozen ship loads of GLAC supplies arriving after 1 March.
- (b) Compilation of out-turn reports for FEA supplies (an ASAA function). under AFHQ
- (c) Clearance of reserve (commodity list) items.
- (d) Miscellaneous financial advice.
- (e) Handling of Venezia-Giulia problems -- especially in the field of economic policy and relationships with the Italian Government.
- (f) Captured enemy material functions.
- (g) Miscellaneous correspondence on economic matters.

10. My own feeling is that <sup>the only</sup> important <sup>HC</sup> functions, for which some administrative provision has to be made, are those involving Venezia-Giulia and Udine, financial advice and miscellaneous correspondence.

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64

- 7 -

11. We have before us three alternative methods of procedure in boiling down our A.C. economic organization to meet the actual facts of its present and prospective work load:

- (a) Leave the situation as it is until a directive is received.
- (b) Plan to abolish or transfer functions as they become meaningless continuing the "two-hat" period for as long as is necessary.
- (c) Plan now to abolish all economic sub-commissions as of a certain date and set up on that date a new organization to handle the functions described in Paragraph 9, above, as an economic section or branch of the Office of the Executive Commissioner. Such a branch would include the Chief Financial Advisor, and such economic personnel as appear to be required to handle the various problems which will come up after whatever cut-off date is decided upon, and before the fate of the Commission itself is decided.

To the extent that we have the authority to do it in the theatre without reference to Washington, I believe the third of these alternatives would be the most satisfactory and the easiest for you and the Chief Commissioner to work with.

12. When you have had a chance to study this lengthy memorandum, I would suggest that we spend an hour or so going over this whole question, in order to develop recommendations for the consideration of the Chief Commissioner upon his return. I would suggest that Col. Walton and Lt. Col. Timmons participate with us in this discussion.

*Harlan Cleveland*  
 HARLAN CLEVELAND  
 Acting Vice President

HEADQUARTERS ALLIED COMMISSION  
APO 394  
ECONOMIC SECTION

JAN 16 1946

Ref: NS/1.32

10 January 1946

SUBJECT : Organization of Economic Section to Reflect Operating Needs Under the UNRRA Program.  
TO : See Distribution Below.

1. It has become increasingly apparent that, in order to put into effect the "two hat" plan of operation during the period 1 January to 1 March, it is necessary to reflect in the supply-connected portion of the present AC Economic Section organization the eventual organization of the Bureau of Requirements and Distribution, UNRRA.

2. The attached chart shows the proposed AC organization during the month of January and also gives the corresponding title of each major unit in the UNRRA organization. Apart from the three sub-commissions (Finance, Commerce, and Labor) that are not involved in the transfer to UNRRA, the effect of the new chart is to take out of the Supply Group of the Economic Section the following units:

- (a) Food and Agriculture Sub-Commission.
- (b) Industry and Utilities Sub-Commission, except as shown in Paragraph 5.
- (c) Special Materials portion of the Surplus and Special Materials Branch (This is to be merged into the Food and Agriculture Sub-Commission, Division of Consumer Goods).

3. The Transportation and Shipping Sub-Commission is to be organized into two divisions--a Ports and Shipping Division and an Internal Transport Division. Mr. Crook is to be Chief of the Ports and Shipping Division and Mr. Bordess (UNRRA) is to be Chief of the Internal Transport Division.

4. The Industry and Utilities Sub-Commission is to be reorganized so as to comprise two departments--Industries Department and Department of Special Projects. Mr. Robert is Chief of the Industries Department. Mr. Sullivan and Mr. Hayes, in addition to retaining their present responsibilities as Director and Deputy Director of the Sub-Commission, will serve as Chief and Deputy Chief, respectively, of the Department of Special Projects. The Department of Special Projects will carry on those functions remaining from the Department of Public Works and Utilities, as well as assuming the new function of planning for the embassy operation in the field of international financing of Italy.

238

(MAJ H) SMH  
12/1/46

*[Handwritten signature]*  
18/1

*[Handwritten initials]*

rehabilitation projects. It will, in this connection, assume the present functions of the Transportation and Shipping Sub-Commission in respect of future planning for rail and port rehabilitation, and screening of rail and port development projects.

5. In preparation for the establishment of the USERRA organization, it is necessary at this juncture for me to supervise the Industrial Department directly. In addition, the Fuelis Department of AD will, during the month of January, report through the Chief of the Supply Group/Sub-bureau of Supply Operations, although it organizationally remains under the Industry and Utilities Sub-Commission/Sub-bureau of Industrial Rehabilitation.

6. Within the Supply Group/Sub-bureau of Supply Operations, under the heading of "Staff", are shown the functions of Program Coordination, Requisitions, Surplus Liaison, and Supply Accounting. The list named will consist initially of the group previously in the USERRA organization but may later be joined by personnel of the AEC.

7. These changes are designed to permit the elements of the present organization to operate through the same supervisory channels within the Economic Section as will be required when dealing with USERRA matters. Under the new organization, the channel of authority will be between the Acting Vice President/Deputy Chief of Mission and his key assistants as shown on the chart. At the same time, however, the Supply Group/Sub-bureau of Supply Operations is responsible for the operation of and reporting on the entire report program. Therefore, all correspondence and decisions affecting that program will be coordinated with that group.

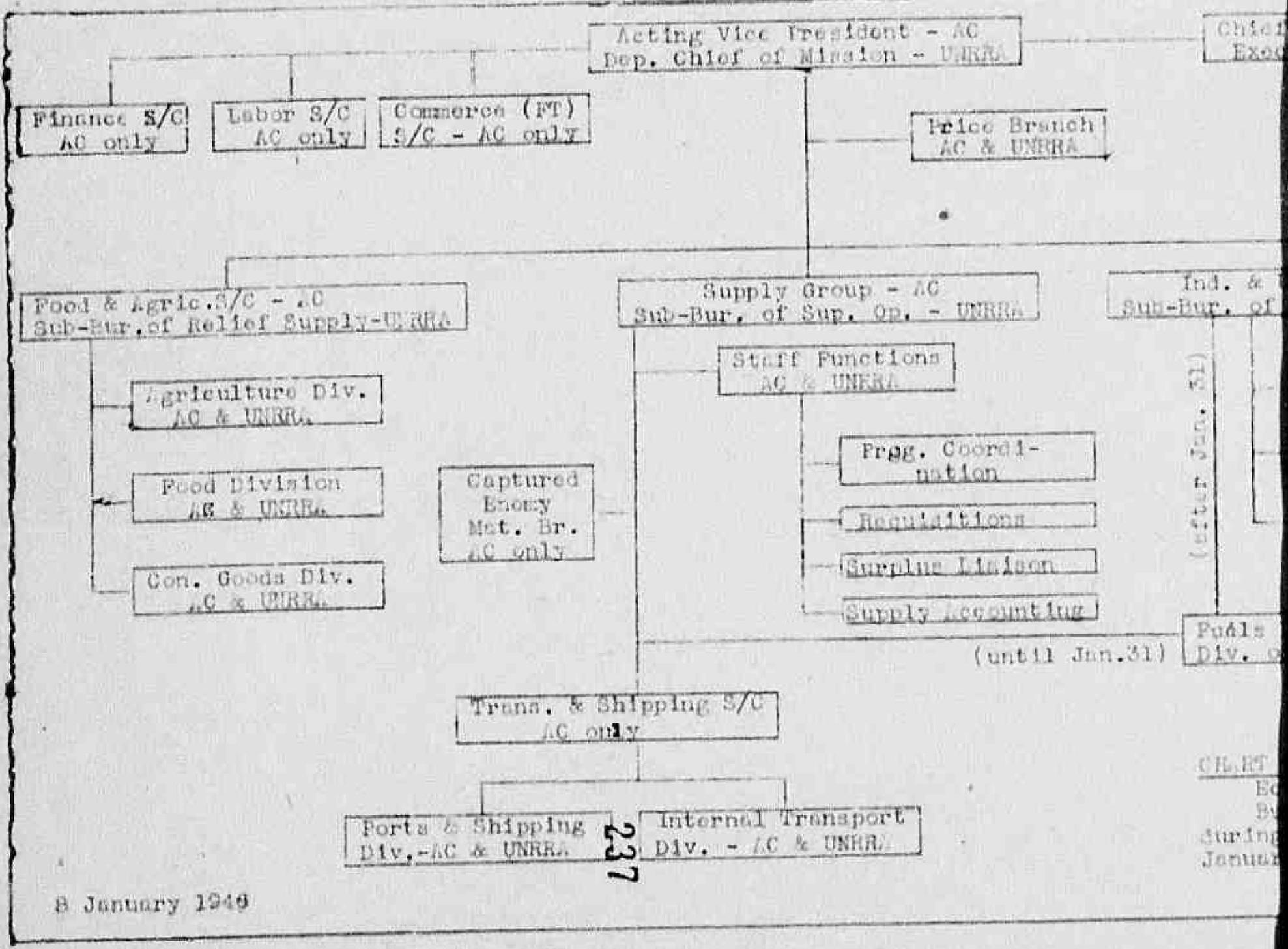
An administrative order will be issued within USERRA indicating the future assignments of personnel who have heretofore been concerned with the Service and Transportation Sections of the USERRA Italian Mission.

*Harold C. ...*  
HAROLD C. ...  
Acting Vice President

DISSEMINATION:  
For Guidance to:

- Acquies. Helstein
- Loge
- Lario
- Wilton
- Lynch
- Luccan
- Bordone
- Groves
- Rosbert
- Walker
- Sullivan
- Hayes
- Gaiboch

For information to: Chief Commissioner  
Executive "  
Mr. Kenny  
Mr. Madgett  
(7 copies)  
Mr. Soriani



8 January 1949

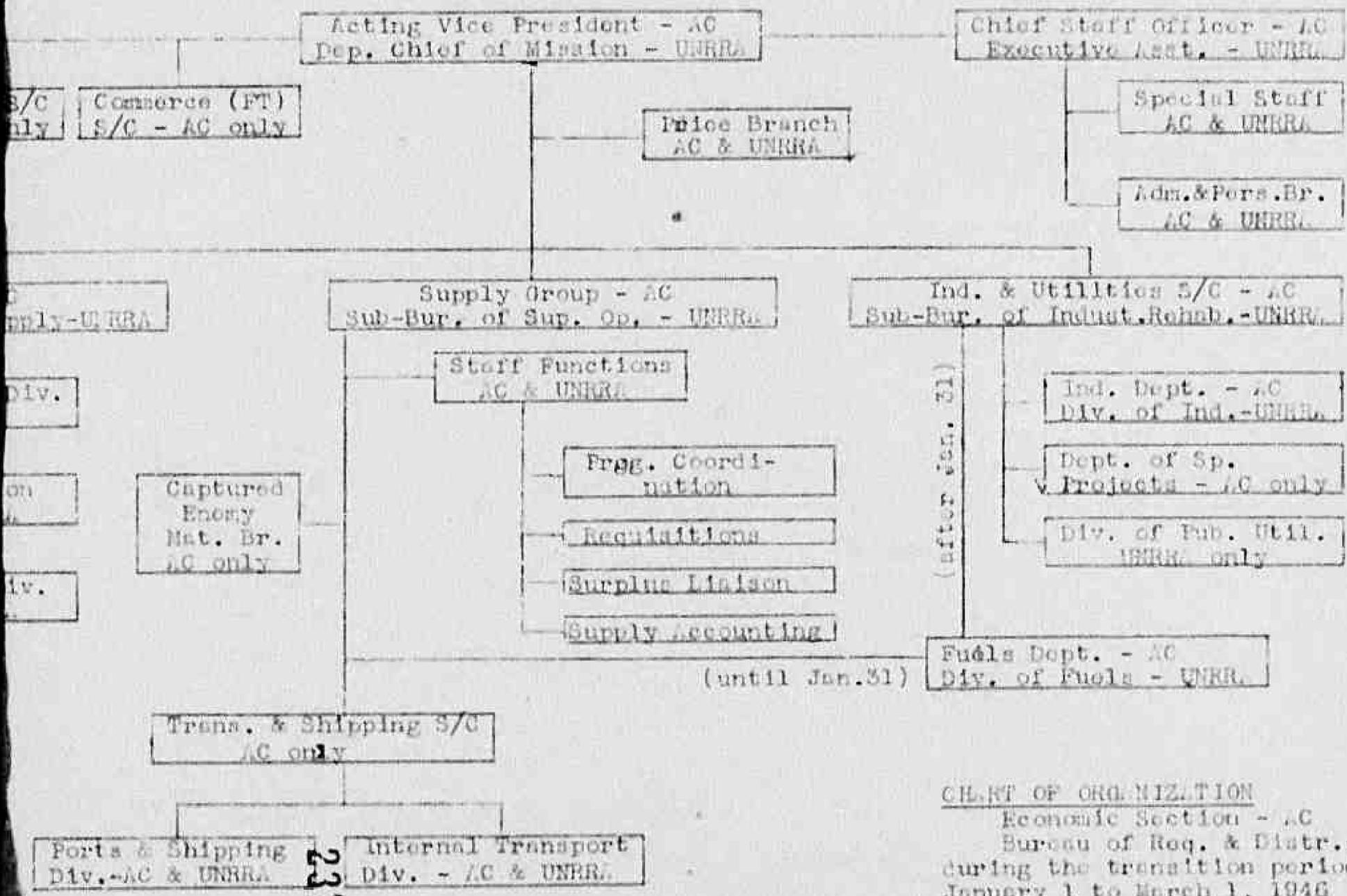


CHART OF ORGANIZATION  
 Economic Section - AC  
 Bureau of Req. & Distr. - UNRRA  
 during the transition period  
 January 1 to March 1, 1946

237

12

RG 331  
ACC - Italy  
Box 210  
Folder 10000/109/331  
"236 - 235"  
1 doc / 2 pages

ACCESS RESTRICTED

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File Designation 10000/109/331  
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To AGWEL

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- Security-Classified Information
- Otherwise Restricted Information

JCS post #6 Authority  
10/6/64 Date

209331  
ACC-ITALY  
Box 210  
Folder 10000/109/331  
"236-235"  
1 doc / 2 pages

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File Designation 10000/109/331

Date 1/2/74

From SACMED

To AGUAR

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- Security-Classified Information
- Otherwise Restricted Information

ACS Post 1/6 Authority

10/6/74 Date

  
GSA Form 7117 (1-7-73)

### WITHDRAWAL NOTICE

#### ACCESS RESTRICTED

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Date \_\_\_\_\_

From \_\_\_\_\_

To \_\_\_\_\_

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- Security-Classified Information
- Otherwise Restricted Information

\_\_\_\_\_  
 Authority \_\_\_\_\_ Date \_\_\_\_\_

### WITHDRAWAL NOTICE

#### ACCESS RESTRICTED

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File Designation \_\_\_\_\_

\_\_\_\_\_

Date \_\_\_\_\_

From \_\_\_\_\_

To \_\_\_\_\_

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- Security-Classified Information
- Otherwise Restricted Information

\_\_\_\_\_ Authority \_\_\_\_\_ Date \_\_\_\_\_

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ECON. SEC

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(54)

ALLIED FORCE HEADQUARTERS  
G-5 Section  
APO 512

G-5: 387.4-1

11 December 1945

DEC 13 1945

SUBJECT: Functions of the Office of Economic Commissioner,  
Northern Italy.

TO : Chief Commissioner, Headquarters, Allied Commission,  
APO 394.

Reference is made to

(a) Letter, Allied Commission 611/55/EC of 7 December subject  
as above.

(b) Letter AFHQ subject "Organization and Functions of Allied  
Commission" File G-5: 387.4-2 dated 1 October paragraph 1.

In view of the impending reorganization of Allied Commission,  
action on AFHQ order in (b) above as regards the "Milan Economic Group"  
is suspended subject to review on 15 January 1946.

BY COMMAND OF LIEUTENANT GENERAL MORGAN:

*[Signature]*  
J. L. RAMBEN  
Brigadier General, U.S.G.  
Assistant Chief of Staff, G-5

234

RECEIVED  
12 DEC 1945  
ALLIED COMMISSION

see 758.59

etc  
Send copy to Econ.  
ERB

Copy to Econ Section 14/12/45  
HA  
D  
M

(1971) ERB 14/12

785017

55

Ref: GM/SS/EC

~~SECRET~~

7 December 1945

SUBJECT: Functions of the Office of Economic Commissioner,  
Northern Italy

TO : AFHQ, G-5 Section  
(Attn: Brig. Gen. A. L. Hasbani)

1. Reference is made to your signals CF54667 of 28 November and F55250 of 3 December, and to A. C. Executive Order No. 84 of 28 November 1945. 52 48

2. I believe there may have been some misunderstanding of the reason for the creation of the office of Economic Commissioner in North Italy and it is desired to make clear what we are trying to accomplish in setting up this office in Milan.

3. Except for the relatively small number of finance and labor officers in the North, all of the personnel who were made responsible to the Economic Commissioner in Northern Italy in Executive Order No. 84, have functions which are directly linked to the supplies which are now being imported through the Allied Commission under the YB and YT supply programs. As indicated in our comments on TAM 719, such supply-connected functions — food, agriculture, industry (except specialized advisory functions connected with long-range reconstruction), special materials (clothing, shoes and medical supplies) — have been pulled together at A. C. Headquarters into the Supply Group of the Economic Section. The current organization chart of the Economic Section is attached to show the manner in which this has been done. Under the draft directive in TAM 719, the supply-connected functions would be transferred to USMRA when USMRA takes over the basic supply line (or to whatever agency might assume responsibility for supplying Italy with her basic requirements, if USMRA is not in a position to do so).

4. The location of a part of the supply group in Milan, therefore, should be regarded as an extension in the North of the job which the Supply Group is doing in Rome. The fact that makes such a Milan extension inevitable is the existence in Milan of the Italian control machinery through which the allocation and distribution of imported materials in North Italy is supervised and directed. This control machinery consists of the North Italy Industrial Council, a Northern Price Board, and an Inter-Regional Commissioner for Food. Since many of the basic decisions on the allocation and use of imported materials are centralized in Milan as far as the Italian Government and Italian agencies are concerned, we found it necessary also to concentrate in Milan our personnel and authority for all economic activities in North Italy.

233

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~~SECRET~~

514

- 2 -

5. The future of the office of Economic Commissioner in North Italy, with the exception of finance and labor functions, will depend upon developments in two fields:

(a) What steps are taken by the Italian Government when AMI is removed from the North, to pull into one national allocation and distribution system the two rather separate groups now operating on these problems in Rome and Milan, and

(b) The time of UNRRA's assumption of A. C.'s basic supply functions.

To the extent that the allocation and distribution machinery is progressively concentrated in Rome, our people who are working on these problems will come down to Rome. When UNRRA takes over, this group will, of course, be abolished as part of A. C., but I am informed that the supply and distribution bureau of the UNRRA Italian Mission will need to maintain a somewhat similar group in Milan, as long as Italian control machinery is located there.

6. One of the main reasons for setting up the office of Economic Commissioner, Northern Italy, was to economize on existing AMI personnel on the economic side, since we no longer were in a position to maintain an effective economic staff in each region. With the end of AMI, the staff of the Economic Commissioner, Northern Italy, would be further reduced to a liaison basis, but in our opinion there should still be an economic group in Milan (under another name and with advisory functions only) as long as the Italian economic controls for the North are administered from Milan.

7. In the above comments, I have not dealt with finance and labor functions, because they will disappear in any case as soon as AMI is closed down in the North.

121

ELIZY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

232

Copy to: *Leon Lee*

~~SECRET~~

2

785017

611  
**INCOMING MESSAGE**  
HEADQUARTERS ALLIED COMMISSION

52  
EX COMM

Originator's Reference: F55250  
Date/Time of Origin: DEC.031337A

Message Centre No: G/4819  
Date Time Rec'd: DEC.031630  
Precedence: ROUTINE

FROM: AFHQ SIGNED SACMED CITE PHGEG  
TO: ALCOM ROME

DEC 3 1945

CONFIDENTIAL.

47  
The instruction contained in AFHQ letter referred to in F54667 were fully considered prior to issuance. Reference AFHQ 54667 dated 27 November and your 8861 dated 30 November impen. They were not directed against the Milan Economic Group as such but against the functions being performed by that Group. Any reorganization which continues that functioning is considered an evasion of the instructions issued. In order however that there be no possibility of misunderstanding of the economic functions being carried out away from Rome and the necessity therefore, it is desired that you present the case in full as a matter of urgency. Your executive order 84 has been seen. Section 2 appears to contravene the policy set forth in Jan 487.

49  
AC DIST

ACTION : EX COMM  
INFO : CHIEF COMMISSIONER 230  
C.A. SEC  
ECON SEC (2)  
FILE

HEADQUARTERS

3(750)

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49

AFHQ

8861

29 NOV 45

Priority

47.

RESTRICTED PD

CHARLES FOX FIVE FOUR SIX SIX SEVEN DATED TWO EIGHT NOVEMBER NOTED PD  
PAREN TO AFHQ FOR GEORGE FIVE FROM HQ ALCON CITE AC-XC PAREN  
 REPRESENTATIVES NORTH ITALY AND ECONOMIC GROUP NOW ABSORBED INTO LOMBARDIA  
 REGION AND NO LONGER EXIST AS SEPARATE ENTITY PD AFTER TURNOVER LIAISON  
 GROUPS WILL CONTAIN SUCH ECONOMIC REPRESENTATIVES IN NORTH AS IS DEEMED  
 NECESSARY AND APPROVED PD FULL CASE FOR CONTINUATION OF ECONOMIC REPRESENTATIVES  
 AND LIAISON GROUP WILL BE SUBMITTED IN DUE COURSE

AC DIST

ACTION: ~~Ex. Com (2)~~  
 INFO : Chief Commissioner  
 CA S  
 Econ Sec  
 File

229

Office of the Ex Comm.

500

F. H. MCCREARY

PA  
 8

611  
48/1

611  
ABOLISHED  
HEADQUARTERS ALLIED COMMISSION  
AFG 394

28 November 1945

EXECUTIVE CHIEFS)  
: (S.)  
NUMBERS

- Abolition of Office of the Representative of the Chief Commissioner in Northern Italy . . . . . I
- Creation of Office of Economic Commissioner Northern Italy . . . . . II
- Appointment of Economic Commissioner Northern Italy . . . . . III

I - ABOLITION OF OFFICE OF THE REPRESENTATIVE OF THE CHIEF COMMISSIONER IN NORTHERN ITALY

The Office of the Representative of the Chief Commissioner in Northern Italy, is hereby abolished effective 1 December 1945. Present economic functions of such office will be performed by the Office of Economic Commissioner Northern Italy. All other functions now performed by the Office of the Representative of the Chief Commissioner Northern Italy will be the responsibility of the Regional Commissioner, Lombardia Region, as directed by the Chief Commissioner. Present Headquarters (located at Office of Representative Chief Commissioner Northern Italy) will be consolidated with and form a part of Headquarters Lombardia Region.

II - CREATION OF OFFICE OF ECONOMIC COMMISSIONER NORTHERN ITALY

Announcement is made of the creation effective 1 December 1945, of the Office of Economic Commissioner Northern Italy, which will be responsible for all Allied Commission/Allied Military Government economic functions (including captured enemy material) in Liguria, Piemonte, Lombardia and Venetia Regions. Economic Commissioner Northern Italy will report direct to and receive directions from Vice-President Economic Section, Headquarters Allied Commission, Rome.

(a) Headquarters of the Office of Economic Commissioner Northern Italy will be located in Milan and will be consolidated with and form part of Headquarters Lombardia Region.

(b) Channels of communication on economic matters except such routine and emergency matters to be utilized by Vice-Presidential Economic Section for Liguria, Piemonte, Lombardia and Venetia Regions will be:

- (1) From Economic Commissioner Northern Italy Milan to Vice President Economic Section Headquarters Allied Commission  
Some with information copies to Regional Commissioners when considered necessary. 228
- (2) From Vice President Economic Section Headquarters Allied Commission Rome to Economic Commissioner Northern Italy Milan, with information copies to Regional Commissioners when considered necessary. (Direct correspondence between Sub-Commissioners at Headquarters Allied Commission Rome and Economic Specialists in the Regions, except on routine matters specifically authorized by Vice President Economic Section, is eliminated).

Appointment of Economic Commissioner Northern Italy . . . . . II  
Appointment of Economic Commissioner Northern Italy . . . . . III

ANNULMENT OF OFFICE OF THE REPRESENTATIVE OF THE CHIEF COMMISSIONER  
IN NORTHERN ITALY

The Office of the Representative of the Chief Commissioner in Northern Italy, is hereby abolished effective 1 December 1945. Present economic functions of such office will be performed by the Office of Economic Commissioner Northern Italy. All other functions now performed by the Office of the Representative of the Chief Commissioner Northern Italy will be the responsibility of the Regional Commissioner, Lombardia Region, as directed by the Chief Commissioner. Present Headquarters: Office of Representative Chief Commissioner Northern Italy will be consolidated with and form a part of Headquarters Lombardia Region.

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  - (1) From Economic Commissioner Northern Italy Milan to Vice President Economic Section Headquarters Allied Commission 228 Same with information copies to Regional Commissioners when considered necessary.
  - (2) From Vice President Economic Section Headquarters Allied Commission Rome to Economic Commissioner Northern Italy Milan, with information copies to Regional Commissioners when considered necessary. (Direct correspondence between Sub-Commissioners at Headquarters Allied Commission Rome and Economic specialists in the Regions, except on routine matters specifically authorized by Vice President Economic Section, is eliminated).
  - (3) From Regional Commissioners Liguria, Piemonte, Lombardia and Venetia Regions to Economic Commissioner Milan, with information copies to Vice President Economic Section Headquarters Allied Commission Rome when considered necessary.

(c) Specialist personnel at present assigned to economic positions in the Liguria, Piemonte, Lombardia and Venetia Regions and those attached to the Office of the Representative of the Chief Commissioner in Northern Italy will be redistributed and assigned as directed by the Economic Commissioner Northern Italy with the concurrence of the Vice-President Economic Section Headquarters Allied Commission Rome.

LA

**R E S T R I C T E D**

Par II, Executive Orders #84, Hq Allied Commission, dtd 28 Nov 45, Cont'd:

(d) Two additional Officers (one U.S. and one British) will be assigned to the Regional Commissioner, Lombardia Region, for G-4 duties. In addition to their other duties they will represent Establishment Section Headquarters Allied Commission House for the allocation and maintenance of domestic transport in Liguria, Piemonte, Lombardia and Venetia Regions.

III - APPOINTMENT OF ECONOMIC COMMISSIONER NORTHERN ITALY

Announcement is made of the following appointments:  
Colonel A. N. RAYCOCK, 150972, Intelligence Corps (B), as Economic Commissioner Northern Italy, effective 1 December 1945, in addition to his other duties as Regional Commissioner Lombardia Region.  
Mr. Leslie V. R. White, American civilian, as Executive Officer to the Economic Commissioner Northern Italy, effective 1 December 1945.

*W. W. Stone*  
Rear Admiral, USN  
Chief Commissioner

DISTRIBUTION  
Including Gp III  
Less Serial 84

Commander A. N. HAINCOCK, 150972, Intelligence Corps (B), as Economic Commissioner Northern Italy, effective 1 December 1945, in addition to his other duties as Regional Commissioner Lombardis Region. Mr. Leslie V. S. White, American civilian, as Executive Officer to the Economic Commissioner Northern Italy, effective 1 December 1945.

*W. W. Stone*  
~~W. W. Stone~~  
Rear Admiral, USN  
Chief Commissioner

DISTRIBUTION  
Including Gp XII  
Loss Serial B4

-2-  
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**INCOMING MESSAGE**  
HEADQUARTERS ALLIED COMMISSION

611  
#7.  
E. J. Conner

Originator's Reference: CP 54557  
Date/Time of Origin: NOV. 28 1945 **RESTRICTED**

Message Centre No: 3/4454  
Date Time Rec'd: NOV. 28 0900  
Precedence: PRIORITY

FROM: AFHQ STORSD SACRED CITE PROEG  
TO: ALCOY ROME

NOV 28 1945

*RESTRICTED.*  
*Reference letter AFHQ Subject Organization and functions of Allied Commission file G-5367 point 4-1 dated 1 October 45 with particular attention to the instructions contained in para 1 with reference to the so-called Milan Economic Group.*  
*These instructions have not been rescinded. The establishment of any group for other than Military Government purposes is not looked upon with favor. This does not apply to individual Italian officers established for Public Security, movement or to facilitate contacts with commanders.*

24

HEADQUARTERS  
NOV 28 1945

AG DIST  
ACTION : Ex. Com (2)  
INFO : Chief Commissioner 227  
E & S  
File

**ACTION**

Rec Sec

**RESTRICTED**

See K9.

601

46

**ALLIED COMMISSION**  
OFFICE OF REPRESENTATIVE OF CHIEF COMMISSIONER  
Montecatini ~~Montecatini~~ Building  
MILAN

Ref. AC/ADV/2186  
Tel. 632-141 ext. 01

JWC/gt  
24 November 1945  
NOV 29 1945

SUBJECT: Duties of Executive Officer in Milan.

TO : Executive Commissioner, A.C. Headquarters in Rome.

1. During your recent visit to this Office you raised the question regarding the problems which are handled by the Executive Officer. In view of the pending re-organization this question seems to have acquired a great deal of importance, therefore the following duties of the Executive Officer are listed for your consideration:

a) He has conducted weekly meetings of Heads of all Sub-Commissions represented in the Milan Office.

b) He has arranged administrative facilities to meet the needs of the Sub-Commissions of this Office.

c) He has had administrative meetings of all Officers of the following Sections:

Headquarters Commandant,  
Motor Pool,  
British Detachment Officer in command,  
American Company Commanding Officer,  
Finance and Disbursing Officer,  
Contracting and purchasing Officer,  
Adjutant Office.

d) He has decided on matters of policy regarding transportation for Allied Commission, Milan Office.

e) He has handled the arrangement for all visiting celebrities, such as Congressional Parties and Officers of General rank. **226**

f) He has handled questions of policy involving requisitions.

g) He has been responsible for the policy in expenditure of funds and has acted as approving Officer in such matters.

P.T.O.

See M. 50. 51

A

-2-

45

- h) He has executed all directives of Col. Fiske.
- i) He has substituted for Col. Fiske daily in handling problems of people who visit this Office.
- j) He has represented the Allied Commission, in Col. Fiske's absence, at various functions in this area.
- k) He has carried out executive inspections of all installations.

2. It is believed that these activities must be carried out by someone in the event of re-organization.

3. If it meets with your approval, I will gladly continue these duties and believe that my past experience in this particular position best qualifies me to fill the assignment.

J. Wm. CUNLIPPE  
Major AGD  
Executive Officer

44

HEADQUARTERS ALLIED COMMISSION  
APO 394

22 November 1945

Ref: DO/G-1B/391/A

*My dear Brigadier*

1. Some of the names of officers put down for appointments by the various Sub Commissions may not in actual fact be available, and the short time at our disposal has not made it possible for us to make a LOQ. check. But I suggest that names are of secondary importance for your discussions, and provided we get your agreement and that of the Regional Commissioners to the figures we shall be able to proceed without any further delay.

2. The allotment of EMs/ORs and all transport can quickly be decided as soon as we know what the strength of officers is going to be. For this reason we have omitted these two subjects.

*Yours  
Lush*

Brigadier M. Lush, CB., CBE., MC.

*Seen by [unclear] for [unclear]*

224

*PA  
27/11*

785017

Hancock

McKee

4/6/66

3. Defunct R Co

*[Faint, mostly illegible text, possibly bleed-through from the reverse side of the page]*

558

558

PROPOSED AMALGAMATION OF LOMBARDIA, PIEMONTE AND LIGURIA REGIONS.

- 1. The set up in the proposed N.W. Region is divided into:-
  - (a) Regional HQ.
  - (b) 3 Deputy Regional Hqs. (Milan, Turin and Genoa).
  - (c) Provincial CAOs.
- 2. The Regional HQ will consist of:-
  - (a) Regional Commissioner's personal and HQ Staff.
  - (b) Specialist Officers representing the various Sub-Commissions.
- 3. It is proposed to set up a US Company to cover the Region with its HQ at Regional HQ. There will be detachments at each Deputy Regional HQ with a US Officer in command.

- 4. The Regional Commissioner's personal and HQ Staff is to be discussed with Brigadier Lush and the final composition settled on the ground. The suggested composition is:
  - (i) SO III to act as PA to R.C.
  - (ii) Administrative Officer.
  - (iii) Transport Officer.
  - (iv) OC., British Detachment.
  - (v) OC., US Company.
  - (vi) EIC., US Company (also to do Duties of C-1 for Region).
  - (vii) Supply Officer US Company.

5. The proposed composition of Specialist Staff at Regional HQ is:

(a) LEGAL.

- Lt-Col. N.J. PURCELL (B) 3
- Major T.D. MCCOUL (B)
- Capt. L.A. SYLVESTER (B)
- Lieut. G.C. RAUPEY (B)

(b) PUBLIC SAFETY.

- Lt-Col. V.J. HEPFORD (B)
- Major N.W.F. FOWLER (B)
- Lt-Col. L. MONTAGUE (Fire) (B) 3
- Major F. BRANNIGAN (Prisoners) (A)
- Major R.P. FIELDERS (Security) (B)

(c) FOOD & AGRICULTURE.

- Lt-Col. R.E.H. HORN (B)
- Capt. A.H. HIRD (B)

- (a) Regional Commissioner's personal and HQ Staff.
- (b) Specialist Officers representing the various Sub-Commissions.

3. It is proposed to set up a US Company to cover the Region with its HQ at Regional HQ. There will be detachments at each Deputy Regional HQ with a US Officer in command.

4. The Regional Commissioner's personal and HQ Staff is to be discussed with Brigadier Lush and the final composition settled on the ground. The suggested composition is:

- (i) SO III to act as PA to R.C.
- (ii) Administrative Officer.
- (iii) Transport Officer.
- (iv) OC., British Detachment.
- (v) OC., US Company.
- (vi) EIC., US Company (also to do Duties of C-1 for Region).
- (vii) Supply Officer US Company.

5. The proposed composition of Specialist Staff at Regional HQ is:

(a) LEGAL.

- Lt-Col. W.J. PURCELL (B) 3
- Major T.D. MCGILL (B)
- Capt. L.A. SYLVESTER (B)
- Lieut. G.C. RAFFERTY (B)

(b) PUBLIC SAFETY.

- Lt-Col. V.J. HENFORD (B)
- Major R.W.F. FOWLER (B)
- Lt-Col. L. MONTAGUE (Para) (B)
- Major P. HANNIGAN (Prisoners) (A)
- Major R.P. FISHERS (Security) (B)

(c) FOOD & AGRICULTURE.

- Lt-Col. R.E.H. HORN (B)
- Capt. A.H. BIRD (B)
- Capt. R.E. RICHERT (A)
- 1/Lieut. S.H. CONDUIT (A)
- C/W Klein Aj (A)

(d) FINANCE.

- Major D.B. MacFARLANE (B) 2
- Capt J. CUTHBERTSON (B)
- Capt T.G. EVANS (B)
- Capt J.W. HERRINGTON (B)

42

Sheet 2.

(g) INDUSTRY & UTILITIES.

High Knight

Major	A.G. EVANS	(B)
Major	A.J. CREEGE	(B)
Major	A. McHAUGHON-WRIGHT	(B)
Major	A. HAZAN	(A)
Mr.	C.S. WILCOX	(A Civ)
Major	K.C. WILSON	(B)
Capt	W. KING	(B)
+ Major	J. RIDGEL	(B)
+ Major	R.T. HARRIS	(B)

+ NOTE:- Last two-named Officers are Coal Officers, and cover all North, including VENEZIA and VENEZIA GIULLA. They are to be assigned to Regional HQ but will receive orders from Coal Div., HQ., A.C.

Coal Ref

(f) LABOUR.

Major	E. SCICLUNA	(B)
Major	F.R. FISHER	(A)
Mr.	R.C. AIRNY	(B Civ)

(e) COMMUNICATIONS.

Major	A.C. HOLLAND	(B)
Capt	C.G.L. MAIDOCK	(B)

(h) TRANSPORTATION & SHIPPING.

Lt-Col.	M. HARRIS	(A)
Major	H.A. SIMONS	(B)
Major	B.M. CHAPMAN	(A)
Capt	R.J. WOODCOCK	(B)
Lieut	A.N.F. WESS	(B)

COMMERCE.

The functions and future employment of Officers now assigned as Commerce Officers are being reviewed and recommendations will be made later by Economic Section.

The following are the names of the Officers involved:

Lt-Col.	S.A. CRUMP	(A)
Major	K. COOPER	(A)
Capt.	J. STOPFORD	(B)
Capt.	J.C. SCOTT	(B)
Capt.	A.G. LAPHORNS	(B)
F/O	E.H. LLOYD	(B)
Mr.	L.V.R. WHITE	(A Civ)

Ask Harland 222  
VC

Coal Pot

\* NOTE:- Last two-named Officers are Coal Officers, and cover all North, including VENEZUELA and VENEZUELA GIULLA. They are to be assigned to Regional HQ but will receive orders from Coal Div., HQ., A.C.

(f) LABOUR.

- Major S. SCICILINA (B)
- Major T.R. FISHER (A)
- Mr. R.C. AUREY (B Civ)

(e) COMMUNICATIONS.

- Major A.C. HOLLAND (B)
- Capt C.G.L. MADDOCK (B)

(h) TRANSPORTATION & SHIPPING.

- Lt-Col. M. HARRIS (A)
- Major H.A. SIMONS (B)
- Major R.M. CHAPMAN (A)
- Capt R.J. WOODCOCK (B)
- Lieut A.N.P. WEBB (B)

6. COMMERCE.

The functions and future employment of Officers now assigned as Commerce Officers are being reviewed and recommendations will be made later by Economic Section.

The following are the names of the Officers involved:

- Lt-Col. S.A. CRUMP (A)
  - Major K. COOPER (A)
  - Capt. J. STOFFORD (B)
  - Capt. J.C. SCOTT (B)
  - Capt. A.G. LAPHORNE (B)
  - F/O E.H. LLOYD (B)
  - Mr. L.V.R. WHITE (A Civ)
- to VC*  
*Ask Har 222*  
*VC*

7. The total number of Specialist Officers proposed on Regional HQ is 36. This is exclusive of the Regional Commissioner's personal Staff, and of whatever Commerce Officers are finally recommended by this HQ.

8. It should be noted that no Officers are required by the following Sub-Commissions:-

- (a) EDUCATION.
- (b) LOCAL GOVERNMENT
- (c) M.P.A. & A.
- (d) PUBLIC HEALTH.

9. It should also be noted that D.P & R and Captured Energy Materials requirements are not included, since they consist of personnel controlled by this HQ.

41

Sheet 3.

10. The proposed composition of each Deputy Regional ~~is~~ is:-

- (a) Deputy Regional Commissioner.
- (b) SO III for Adm Duties.
- ~~(c) 6 1/2 SS-Dets.~~
- ~~(d) Specialist Officers.~~

11. The suggested Specialist Officers ~~at Deputy Regional~~ <sup>in Liguria</sup>

(a) TRANSPORTATION.

Capt. J.H. LLOYD-DAVIES  
 Capt. W.G. BICKLEY  
 Lieut. A.M. PARKRAZ

(B)  
 (A)  
 (A)

*Geno and RC  
 Genoc  
 SAVONA*

(b) PUBLIC SAFETY.

Major T. GOODACRE  
 Major K.W. FISCHER  
 Capt. L.V. GALE  
 Capt. D.E. BRADBERRY  
 Capt. F. CEACH  
 Capt. J.Z. TOUGH

(B)  
 (A)  
 (B)  
 (B)  
 (B)  
 (B)

(c) INDUSTRY & UTILITIES.

Capt. J.R. BROWLES

(A)

*Genoc*

(d) FINANCE.

Major G. WHITES  
 Capt. E.P. FLECHER

(B)  
 (B)

*Genoc 3*

(e) FOOD & AGRICULTURE.

Major S.P. MCCREADIE  
 Lieut J.S. CAMBRACA

(B)  
 (A)

*Genoc*

*Primo Specialist*

12.

(c) TRANSPORTATION.

Capt. F.E. HAYDON  
 Lieut A. McD. CLARK  
 WOJG G.P. CHRISTIAN

(A)  
 (B)  
 (A)

*Thrin 221*

(b) PUBLIC SAFETY.

Major H. MICHAEL  
 Major W. ROBERTS  
 Major A.G. HILLS

(B)  
 (B)  
 (B)

*Genoa and PC*  
*Genoa*  
*SAYONA*

(B)  
(A)  
(A)

Capt. J.H. LLOYD-DAVIES  
Capt. W.G. BICKLEY  
Lieut. A.M. PANBRATE

(b) PUBLIC SAFETY.

(B)  
(A)  
(B)  
(B)  
(B)  
(B)

Major T. COODACE  
Major K.W. FISCHER  
Capt. L.V. CALE  
Capt. D.Z. BRADBERRY  
Capt. F. CEACH  
Capt. J.Z. TOUGH

(c) INDUSTRY & UTILITIES.

(A)

Capt. J.R. BROWLER

(d) FINANCE.

(B)  
(B)

Major G. WHITE  
Capt. E.F. FLECHER

(e) FOOD & AGRICULTURE.

(B)  
(A)

Major S.P. MCCREADIE  
Lieut. J.S. CAMMARATA

*Penumbra Specialist*

12.

(e) TRANSPORTATION.

(A)  
(B)  
(A)

Capt. P.E. HANNON  
Lieut. A. McD. CLARK  
WOJG G.P. CHRISTIANS

221

(b) PUBLIC SAFETY.

(B)  
(B)  
(B)  
(B)  
(B)  
(B)  
(B)  
(B)

Major H. MICHALL  
Major W. ROHNE  
Major A.C. HILLS  
Capt. W.V. MANN  
Capt. L.A. TOMKINS  
Capt. P. SCALFE  
Capt. G.H. LUDLIS  
Capt. T. MARSH  
Capt. E.P. BOLTER

*Redapt*

(c) INDUSTRY & UTILITIES.

(A)

Lieut. F.J. ALSOP

*PC-Turner*

40

Sheet 4

(d) FINANCES.

Lt-Col. P.D. SCRIVER  
Lieut. J.T. MURPHY

(A)  
(A)

3

(e) FOOD & AGRICULTURE.

Capt. C.D. FERRY  
Capt. E.C. TOOMER

(A)  
(B)

13. Deputy Regional HQ at MILAN:-

(a) PUBLIC SAFETY.

Major P.E. CONHEAD  
Major W.A. LACEY  
Major W. STRACHAN  
Major W. GREENHOUGH  
Capt. W.L. WILLIS  
Capt. T. BELLAMY  
Capt. E.P. COOKS  
Capt. J.B. FLESTWOOD  
Capt. J. KANE

(B)  
(B)  
(B)  
(B)  
(B)  
(B)  
(B)  
(B)  
(B)

(b) FINANCES.

Capt. L. OSKIND  
Capt. L. FRANTON

(B)  
(B)

3

14. The proposed total number of Officers at Deputy Regional HQ is as follows:-

GEHOA	-	17
TURIN	-	20
MILAN	-	14
TOTAL	-	<u>51</u>

These figures include Deputy Regional Commissioners, SO IIIs and O i/c US Deta.

15. It should be noted that:-

220

(a) Sub-Commissions have tended to place their ICMRABDIA Officers on the Regional Commissioner's Staff at MILAN rather than on the Deputy Regional Commissioner's Staff, since it is also situated at MILAN.

(b) Legal Sub-Commission prefers to have all Legal Officers centralised in MILAN, and none on Deputy Regional Commissioner's Staff.

16. Provincial Officers - CAOs.

(a) PUBLIC SAFETY.

Major	P. E. OCKFELD	(B)
Major	W. A. LACEY	(B)
Major	H. STRACHAN	(B)
Major	W. GREENHOUGH	(B)
Capt.	W. L. WILLIS	(B)
Capt.	T. BELLAMY	(B)
Capt.	E. F. COCKS	(B)
Capt.	J. B. FLYNNWOOD	(B)
Capt.	J. KANE	(B)

(b) FINANCES.

Capt.	L. OSMUND	(B)
Capt.	L. FRANKFORD	(B)

**3**

14. The proposed total number of Officers at Deputy Regional HQ is as follows:-

GENOVA	-	17
TURIN	-	28
MILAN	-	14
<b>TOTAL</b>	-	<u>59</u>

These figures include Deputy Regional Commissioners, SO IIIs and C i/o US Dets.

**220**

15. It should be noted that:-

- (a) Sub-Commissions have tended to place their LOMBARDIA Officers on the Regional Commissioner's Staff at MILAN rather than on the Deputy Regional Commissioner's Staff, since it is also situated at MILAN.
- (b) Legal Sub-Commission prefers to have all Legal Officers centralised in MILAN, and none on Deputy Regional Commissioner's Staff.

16. Provincial Officers - CAOs.

In addition to Officers mentioned above, there will be 2 CAOs per Province in each of the Provinces. This works out as follows:-

LOMBARDIA	9 Provinces	18 CAOs
PIEMONTE	7 Provinces	14 CAOs
LIGURIA	4 Provinces	8 CAOs
<b>TOTAL</b>		<u>40 CAOs</u>

*4 P800 which will be inserted*

39.

Sheet 5.

17. You will notice that the Sub-Commissions' recommendations do not allow for Specialist representation on Provincial level. My opinion is that such an arrangement is inadvisable unless it is clearly understood that the Deputy Regional Commissioners may place them permanently in certain Provinces should they consider it necessary.

If they are all lumped together at Deputy Regional Commissioner's HQ they will be either out of touch with Provincial affairs or will have to cover considerable mileage to keep in touch.

18. Total number of Officers required on proposed amalgamation.

(a) Regional HQ.

Regional Commissioner and personal Staff 8

Specialist Staff:-

Legal	4
Public Safety	5
Food & Agriculture	4
Finance	4
Industry & Utilities	9
Labour	3
Transportation	5
Communications	2
Total Regional HQ:-	44

(b) Deputy Regional HQs.

CENOA	17
TURIN	20
MILAN	14
Total Deputy Regional HQs:-	51

(c) Provincial Officers.

LOMBARDIA	18
PIEMONTE	14
LIGURIA	8
Total Provincial Officers	40
(d) GRAND TOTAL	<u>135</u>
	<u>219</u>

<u>(a) Regional HQ.</u>		
Regional Commissioner and personal Staff		8
Specialist Staff:-		
Legal		4
Public Safety		5
Food & Agriculture		4
Finance		4
Industry & Utilities		9
Labour		3
Transportation		5
Communications		2
Total Regional HQ:-		44
<u>(b) Deputy Regional HQs.</u>		
CEZIA		17
TURIN		20
MILAN		14
Total Deputy Regional HQs:-		51
<u>(c) Provincial Officers.</u>		
LOMBARDIA		18
PIEMONTE		14
LIGURIA		8
Total Provincial Officers		40
<u>(d) GRAND TOTAL</u>		
		<u>135</u>
		<u>219</u>

38

Sheet 6.

TABLE SHOWING SAVING OF OFFICERS EXPECTED BY PROPOSED AMALGAMATIONS.

	Present Number.	Proposed Number.	SURPLUS.
Regional HQ and Deputy Regional HQ Personal Staffs	24	17	7
Office of the Representative of Chief Commissioner (MILAN)	6	-	6
Public Safety	33	29	4
Provincial Officers (CACs)	44	40	4
Education	1	-	1
Legal	4	4	-
Communications	3	2	1
Public Health	3	-	3
M.P.A. & A.	1	-	1
Industry & Utilities	12	11	1
Food & Agriculture	14	8	6
Finance.	12	10	2
Transportation	16	11	5
Labour	3	3	-
<b>T O T A L</b>	<b>176</b>	<b>135</b>	<b>41</b>

NOTES:-

- (a) Only the personal Staff of Col. Plake has been shown against Office of the Representative of the Chief Commissioner (MILAN). Specialist Officers are shown against their various Sub-Commissions. 218
- (b) Owing to such factors as (i) PITCHER, (ii) Class "B" Release, (iii) Long term Hospital Cases, the number of Officers rendered surplus by the amalgamation should be reduced by 15%, i.e., to a figure of 35 for planning over a period of a month.

Office of the Representative  
of Chief Commissioner (MILAN)

Public Safety	6	-	6
Provincial Officers (CAOs)	33	29	4
Education	44	40	4
Legal	1	-	1
Communications	4	4	-
Public Health	3	2	1
M.F.A. & A.	3	-	3
Industry & Utilities	1	-	1
Food & Agriculture	12	11	1
Finance.	14	8	6
Transportation	12	10	2
Labour	16	11	5
	3	3	-
<b>T O T A L</b>	<b>176</b>	<b>135</b>	<b>41</b>

NOTES:-

- (a) Only the personal Staff of Col. Pisko has been shown against Office of the Representative of the Chief Commissioner (MILAN). Specialist Officers are shown against their various Sub-Commissions. **218**
- (b) Owing to such factors as (i) PENSION, (ii) Class "B" Release, (iii) Long term Hospital Cases, the number of Officers rendered surplus by the amalgamation should be reduced by 15%, i.e., to a figure of 35 for planning over a period of a month.
- (c) The figures given in the table take no account of ILIP. To arrive at the effective strength, figures should be reduced by 17%.

785017

57  
July 20/78

AMG LOMBARDIA; AMG LIGURIA; AMG PIEMONTE; AMG VENEZIE REGION;  
TWO DISTRICT

8635

21 Nov

PRIORITY

UNCLASSIFIED PD

SUBJECT IS MEETING ON REORGANISATION OF NORTHERN REGIONS SCHEDULED  
FOR TWO THREE NOVEMBER PD

PAREN TO AMG LOMBARDIA REGION FOR HANCOCK AND CLEVELAND CMA AMG LIGURIA

REGION FOR SELEY CMA AMG PIEMONTE REGION FOR MERVISE CMA AMG VENEZIE

REGION FOR DUNLOP CMA TWO DISTRICT FOR ALLIED COMMISSION LIAISON OFFICER FROM

HQ ALCOM FROM LUHM CITE AGEKC PAREN

OWING TO BUSINESS AT CASERTA MEETING POSTPONED UNTIL SATURDAY TWO FOUR  
NOVEMBER AT ONE ONE ZERO ZERO HOUSE

Office of Ex. Com.

343

J/Comd.,  
PA to Ex. Commissioner

217

Declassified E.O. 12356 Section 3.3/NND No. 785017

~~SECRET & PERSONAL~~  
HEADQUARTERS ALLIED COMMISSION  
APO 394  
Office of the Executive Commissioner

31  
45

12 November 1945

I have been discussing with the Chief Commissioner since my return the best organization in the North which can be most easily adapted to the continuation of AMC with our present attenuated staffs and a rapid changeover to Italian Government administration.

The Chief Commissioner agrees that immediate consideration should be given to the plan outlined below and for that purpose the Acting Vice President of the Economic Section, Mr. Harland Cleveland, is visiting the North tomorrow, and I would ask you to attend a meeting in MILAN at 1500 hours on Friday, 23 November, to which I should be grateful if you would bring your deputy.

In considering the plan below I want to make it quite clear that were it not for the serious decrease in staff, the Regional organization as initiated and so admirably administered by your predecessors and yourselves, would undoubtedly have been continued. But circumstances have overtaken us and we must do what is best for the territory as a whole, making the best use of the few officers that are left to us.

The plan, in short, is to administer the three Regions of North West Italy from one HQ and to absorb into that HQ the office of the Representative of the Chief Commissioner and the Economic Group representing the Sub-Commissions. The HQ would be at MILAN and would embrace the Regions of LIGURIA, PIEMONTE and LOMBARDIA. It would operate under the command of a Regional Commissioner who would have three Deputies to whom he would delegate the administration of LIGURIA, PIEMONTE and LOMBARDIA respectively. These Deputies together with such administrative and technical staffs as required, would be located at HQ but would, of course, be mobile and have wide inspecting duties.

The Provinces would remain as they are now with a Provincial Commissioner and one or two officers. It might be necessary to locate any Transportation and Food officers in some of the Provinces.

The Establishment Section advise that this will affect an economy of not less than 20 officers and although the lack of communications will add greatly to the difficulties of the Provincial teams, I feel sure that in the long run, administration, particularly on the economic side, would gain thereby.

Such is the basis of the discussion which I should be glad to have with you at Regional HQ, MILAN as noted above.

(Sgd) M.S. Gush

OO: RC's, Liguria, Piemonte, Lombardia Regions.  
COPY TO: Brig Dunlop, RC, Venetia Region. } Who are please requested to  
Lt.Col. Hamilton, ACLO 2 District } attend the meeting.

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785017

35

HEADQUARTERS ALLIED COMMISSION  
APO 394  
Office of the Executive Commissioner

Ref: 644/16/ND

October 1945

SUBJECT: HQ A.C. - New WE/TO

TO : G-1 British

Reference your G-1R/31/3/A of 11 Oct 45.

Herewith nominal rolls of American and British officers selected. You will note that the total is 14 and not 16.

F. H. McCLARY  
Chief Staff Officer  
To the Executive Commissioner

2 Incls:

215

PA  
25/10

Q-57A

NOMINAL ROLL OF AMERICAN OFFICERS

Admiral E.W. STONE  
Major L.W. STEARNS  
Lieut E. BEHN  
Lieut LANNIN  
Capt A. WHITE (leaving soon) (Successor NOT YET  
nominated)  
Capt W.B. Neuberg Liaison Division.

NOMINAL ROLL OF BRITISH  
OFFICERS

Brig W.S. LUSH  
Lt Col P.H. MOULBARY  
Capt G.R. BRAYBROOKE  
Capt A.G. COLLINS  
Capt DURST                      Communications Officer  
Lt Col Count de SALIS  
Major UTLEY  
J/Cdr CARLISLE                Due for release in December

(34)

1st Lt. Willie

Souls

6-1-7

Admiral E.W. STONE

Major L.W. STRANIS

Lieut. E. BEHN

Lieut. LAMIN

~  
^

copy sent to

G-1(B)

24/10

213213



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HEADQUARTERS ALLIED COMMISSION  
APO 394  
Office of the Executive Commissioner  
\*\*\*\*\*

Ref: 611/25/TC.

8 October 45.

SUBJECT: Organization and Functions of Allied Commission.  
TO : Establishment Section.

24

1. Attached hereto are three copies of AFHQ Letter G-5: 367.4-1 dated 1 October 45, subject as above, in reply to our 611/TC dated 17 September 45.
2. Please take early action on para 4 and submit the draft proposed War Establishment for my consideration and approval before dispatch to AFHQ.

21

*Handwritten signature*  
Brigadier,  
Executive Commissioner.

Incls.

Copy to: Political Adviser (A)  
Political Adviser (B)  
CA Section  
Economic Section

BU 12/10  
N. J. G. 211

*Handwritten signature*  
8/10

6422

611

Ex Comm (24)

ALLIED FORCE HEADQUARTERS  
G-5 Section  
AFO 512

G-5: 387.4-1

1 October 1945

SUBJECT: Organization and Functions of Allied Commission. 10 OCT - 5 1945

TO : Headquarters, Allied Commission, AFO 394.

21

Reference your 611/EC of 17 September 1945.

1. The proposals for the organization of Headquarters Allied Commission and AMG and Liaison field staffs are approved in principle except that the Economic Group at Milan will be dissolved by 1 December 1945 and if necessary may be replaced by a normal liaison group. This should, in turn, enable further slight reductions in HQ Allied Commission.

2. It is stressed, however, that, as circumstances change, the organizations must be subjected to review at frequent intervals.

3. As the proposed staffs on the American side are within the agreed allotment of 700 officers and EM approved by CG MTCUSA, effective 1 December 1945, no further action is now required. The probable reduction on the American side is shown in Appendix A. 21

4. a. On the British side you will prepare a RE proposal in accordance with this HQ 210/Org-3 of 6 December 1944 for consideration by the WEC at this HQ.

b. The proposal will be divided into 3 parts as follows:

(1) Part I - Hq, Allied Commission, to include officers, ORs and transport.

(2) Part II - AMG Venezia Giulia, to include officers, ORs and transport.

(3) Part III - Civil Affairs Pool to cover AMG Udine and the islands and also the Liaison Groups throughout Italy. Proposal will include officers, ORs and transport and must be supported by appropriate schedules showing the proposed distribution of personnel and transport.

*A. L. Hamblen*  
A. L. HAMBLEN,  
Brigadier General, GSC,  
Assistant Chief of Staff, G-5

Copy to: G-3(Org-3)

210

Copy to: *Gen. Sisson* OCT 1945  
*11/12/45*

(See 25)

*(CSO)*

27

Appendix A

To G-5: 387.4-1 of 1 October

ESTIMATES OF AUTHORIZED FOR  
AS OF DATES INDICATED.

<u>OFFICERS</u>	<u>31 Aug.</u>	<u>20 Sep.</u>	<u>11 Oct.</u>	<u>30 Nov.</u>
Generals & Colts.	26	21	16	11
Lt. Colts.	60	48	36	24
Majors	100	80	60	40
Captains	175	140	105	70
Lieutenants	<u>171</u>	<u>142</u>	<u>112</u>	<u>84</u>
Total	532	431	330	229

ENLISTED MEN

1st Grade	20	16	12	8
2nd "	50	40	30	20
3rd "	80	64	48	32
4th "	135	108	81	54
5th "	250	200	150	100
6 & 7th Grade	<u>534</u>	<u>440</u>	<u>346</u>	<u>252</u>
Total	1069	868	667	466

WARRANT OFFICERS

	18	12	8	4
--	----	----	---	---

HEADQUARTERS ALLIED COMMISSION  
APO 394

17 September 1945

REFERENCE: 611/HC

SUBJECT: Organization and Functions of Allied Commission.

TO: C-5 Section, A.F.H.Q.

References your unnumbered letter on the above subject dated 3 Sep 45, and your signal P.41731 dated 7 Sep 45.

1. Information called for is shown herewith as follows:-

APPENDIX A. Detailed organization chart of HQ AC including elements not located in HQAC.

APPENDIX B. Tables showing:-

- (1) Summary of suggested strength of AME/AC, on 1 Dec 45.
- (2) Present strength of HQ AC by Sections, Sub Commissions, etc. with a parallel table showing suggested strengths on 1 Dec 45.
- (3) Suggested strengths of AME teams in the field.
- (4) Suggested strengths of Liaison Groups in the field.

APPENDIX C. Brief synopsis of present functions of each Sub Commission, stating whether advisory or executive.

APPENDIX D. A brief statement concerning the degree to which the Sub Commissions mentioned in para 2 (c) of your letter are complying with the policy set forth for their functioning.

APPENDIX E. A brief statement showing the manner in which reductions will be made in HQ AC.

2. The figures given in Appendix B show the combined American and British requirements for the suggested set up in the future. Assuming that the policy of parity will be continued the breakdown will be as follows:-

	U.S.A.	BRITISH	TOTAL
Officers	229	229	457
SN/CRs	466	466	932
	694	695	1389

3. On completion of the hand-over of the [redacted] to the Italian [redacted]

Submit  
APPENDIX

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APPENDIX A. Detailed organization chart of HQ AC including elements not located in Rome.

APPENDIX B. Tables showing:-

- (1) Summary of suggested strength of AMG/AC.
- (2) Present strength of HQ AC by Sections, Sub Commissions, etc. with a parallel table showing suggested strengths on 1 Dec 45.
- (3) Suggested strengths of AMG teams in the field.
- (4) Suggested strengths of Liaison Groups in the field.

APPENDIX C. Brief synopsis of present functions of each Sub Commission, stating whether advisory or executive.

APPENDIX D. A brief statement concerning the degree to which the Sub Commissions mentioned in para 2 (c) of your letter are complying with the policy set forth for their functioning.

APPENDIX E. A brief statement showing the manner in which reductions will be made in HQ AC.

The figures given in Appendix E show the combined American and British requirements for the suggested set up in the future. Assuming that the policy of parity will be continued the breakdown will be as follows:-

	U.S.A.	BRITISH	TOTAL
Officers	228	229	457
EM/GRs	466	466	932
	694	695	1389

3. On completion of the hand-over of the Italian Government a short period will be required to close the administration and records of Regional and Provincial headquarters. Immediate action, however, is being taken to furnish AP HQ with the particulars of personnel who will become surplus so that they may be disposed of by release in accordance with U.S. and British Release Schedules, or by deployment to other theatres.

4. It is felt that the time given to prepare this report, virtually a proposed new PM/TE, has been therefore minor amendments may be necessary when the future of A.C. has been determined.

FOR THE CHIEF COMMISSIONER.

SEE 24 (see 24) M.S. LUSH

Brigadier Executive Commissioner

(cso) e e Fred Myto AC

See to find

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See 20

Appendix B (1)

20

STATEMENT OF SUPPLEMENTAL PERSONNEL FOR AFM/AC.

Target date: 1 Dec 1945

Function	HQ AC	LIAISON OFFICERS	AIR TRAINING	TOTALS
HQ Executive Branch	16	-	-	16
Communications S/C	2	5	2	9
Public Relations Branch	2	-	1	3
Scientific Section	11	-	-	11
Agriculture & Food S/C	8	6	10	24
Coastal & Industry S/C	10	7	6	23
Finance S/C	25	-	17	42
Labour S/C	-	2	3	5
Public Works S/C	-	2	6	8
Transportation S/C	8	15	4	27
War Materials Disposal S/C	3	7	-	10
Civil Affairs Section	2	-	-	2
Education S/C	-	-	2	2
Italian P.W. Branch	4	-	-	4
Legal S/C	2	1	13	16
Local Government S/C	4	-	1	5
Monuments & Fine Arts S/C	-	-	4	4
Public Health S/C	-	-	-	1
Public Safety S/C	6	23	4	33
Establishments Section (incl 2675 Regt.)	44	-	-	44
Field HQ Staffs and Liaison	-	50	59	89
D.P. & B. S/C	50	-	-	50
<b>Total Officers</b>	<b>197</b>	<b>96</b>	<b>162</b>	<b>457</b>
<b>E.M./C. No</b>	<b>52</b>	<b>159</b>	<b>251</b>	<b>462</b>
<b>Total All Personnel</b>	<b>719</b>	<b>255</b>	<b>415</b>	<b>1389</b>
				<b>207</b>

11

APPENDIX B(2)

U.S. AIR FORCE COMMISSION

SECTION/BRANCH	Present Strength or U.S. OF		Proposed strength Civilian M/A/M
	A	B	
Chief Clerk & Messengers Office (incl Signs & Message Centre)	4	45	37
Communications S/C Public relations Branch	2 4	3 6	3 1
<u>Biographic Section</u>	15	9	1
Agriculture Sub Commission	3	3	1
Executive S/C	3	5	7
Finance Sub Commission	15	22	17
Food Sub Commission	4	4	1
Industry Sub Commission	7	7	1
Labour Sub Commission	1	1	1
Public Works Sub Commission	12	6	4
Transportation Sub Commission	25	10	11
War Material Disposal Sub Com.	-	2	4
<u>Civil Affairs Section</u>	2	1	4
Migration Sub Commission	1	2	1
Nation P.S. Div.	2	1	3
Legal Sub Commission	4	5	3
Local Govt. Sub Commission	1	1	4
Manufacture & Fine Arts Sub Com.	2	2	-
Public Health Sub Commission	10	2	2
Public Safety Sub Commission	5	5	3
<u>Establishments Section</u>	11	57	37
150 Consultant	10	100	107
2675 O/S	14	140	-
Disposal Bureau & Registration S/C (incl Mail Bureau)	9	25	29
Aircrew for Re-assignment etc.	15		
	179	196	122
		173	171
			206

Chief Clerk & Assoc. Clerk's Offices  
(Local Sign & Message Center)

4	8	4	15	3	5	6	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
4	8	4	15	3	5	6	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
4	8	4	15	3	5	6	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

179 193 472 522 582

577

197 582

105 206

Civil Service Section

- Management Sub Commission
- Medical P.M. Div.
- Legal Sub Commission
- Local Govt. Sub Commission
- Manufacture & Fire Arms Sub Comm.
- Public Health Sub Commission
- Public Safety Sub Commission

Establishments Section

- By Government
- 5575 Org
- Disposal Bureau & Registration
- S/G (Local Mould Personnel)
- Personnel for no-assignment etc.

APPENDIX B (3)

15

SUGGESTED STRENGTHS FOR A.M.G. ISLANDS

	<u>URINE</u>	<u>ISLANDS</u>	<u>VENESIA</u>	<u>OTULLA</u>	<u>TOTALS</u>
Civil Affairs Officers } HQ Staffs & Adm Officers }	13	4	42		59
Communications Officers			2		2
Public Relations "			1		1
Agriculture "			2		2
Commerce "			3		3
Finance "	2		15		17
Food "	1		7		8
Industry "	1		2		3
Labour "	1		2		3
Public Works "	2		4		6
Transportation "	1		3		4
W.M.D. "					-
Education "	1		1		2
Legal "	2		11		13
Hon. & Fine Arts "	1				1
Public Health "	1		3		4
Public Safety "	6		28		34
<b>TOTAL OFFICERS</b>	<b>32</b>	<b>4</b>	<b>126</b>		<b>162</b>
<b>R.M./O.Bo</b>	<b>70</b>	<b>-</b>	<b>131</b>	<b>205</b>	<b>251</b>



16

APPENDIX

FUNCTIONS OF SUB COMMISSIONS.

In AMG territory the executive functions are exercised largely in line with the general principle that military government follows the lines of indirect administration, and that the bulk of the work is carried out by Italian officials and organizations.

In Italian territory the advisory functions are exercised chiefly on a high level between the heads of Sub Commissions and the Ministries of the Italian Government. Field officers are entirely liaison.

1. ITALIAN PRINCIPLES OF WAR (Section of G.A. Section)

Both advisory and executive, but primarily a liaison link between Italian Government and Allied authorities on questions of programming arrivals, reception and distribution of returning Italian POWs, maintenance of records thereof, and other general administration, such as property, mail and pay.

2. PUBLIC HEALTH SUB COMMISSION.

Control and supervision of all matters pertaining to public health, including hospitals, welfare services, and sanitary measures.

In AMG territory the Sub Commission is executive in function, in Italian Government territory, it is entirely advisory.

3. LOCAL GOVERNMENT SUB COMMISSION.

In AMG territory the Sub Commission is executive and advisory. It controls appointments of prefects and other senior local officials, advises on local Government Order (C.F.G.O. 11 in Venezia Giulia) and advises on Electoral Lists.

As regards Italian Government Territory purely advisory. Observes (and if asked advises) on local Government, Elections, Electoral Lists, Constituent Assembly and generally attempts to ensure development of such on democratic lines, in accordance with the Italian Government Directive.

4. LEGAL SUB COMMISSION.

Control of courts (AMG) supervision of legal aspect of all orders issued by AMG, establishment and direction of Italian courts in AMG territory. Advice to Commission on legal matters, liaison with Italian Ministry of Justice.

Functions are executive in AMG territory, entirely advisory and almost non-existent in Italian Government territory.

5. EDUCATION SUB COMMISSION.

Formulation of and organization of educational institutions, advice to Ministry of Education on educational reconstruction, supervision of cultural interchange between Italy and the Allied Nations.

1. ITALIAN FAIDOMERS OF WAR (Section of C.A. Section)

Both advisory and executive, but primarily a liaison link between Italian Government and Allied authorities on questions of programming arrivals, reception and distribution of returning Italian POWs, maintenance of records thereof, and other general administration, such as property, mail and pay.

2. PUBLIC HEALTH SUB COMMISSION.

Control and supervision of all matters pertaining to public health, including hospitals, welfare services, and sanitary measures.

In AMG territory the Sub Commission is executive in function, in Italian Government territory, it is entirely advisory.

3. LOCAL GOVERNMENT SUB COMMISSION.

In AMG territory the Sub Commission is executive and advisory. It controls appointments of prefects and other senior local officials, advises on local Government Order (o.f.J.O.11 in Venezia (Mullia) and advises on Electoral Lists.

As regards Italian Government territory purely advisory. Oversees (and if asked advises) on local Government, Elections, Electoral Lists, Constituent Assembly and generally attempts to ensure development of such an democratic lines. In AMG territory, liaison with Italian Ministry of Justice.

4. LEGAL SUB COMMISSION.

Control of courts (AMG) supervision of legal aspect of all orders issued by AMG, establishment and direction of Italian courts in AMG territory. Advice to Commission on legal matters, liaison with Italian Ministry of Justice.

Functions are executive in AMG territory, entirely advisory and almost non-existent in Italian Government territory.

5. EDUCATION SUB COMMISSION.

Formation of an organization of educational institutions, advice to Ministry of Education on educational reconstruction, supervision of cultural interchange between Italy and the Allied Nations.

Executive and Advisory in AMG territory, entirely advisory in Italian Government territory.

6. DISPLACED PERSONS AND REPARATION SUB COMMISSION.

Deals with the care and redistribution of war refugees, ex-internees and all displaced persons.

Primarily an executive agency, occasionally advisory to Italian Government, Allied authorities and UNRWA who will succeed to its functions.

7. MEMORIALS, FINE ARTS AND ARCHIVES SUB COMMISSION.

Care, preservation and repair of artistic and historical monuments in Italy, both directly and through the appropriate Italian Government agency. Advice and liaison with other trustees of operations on the

17

restitution of stolen works of art.

In AMG territory, largely advisory. In Italian Government territory advisory.

8. LABOR SUB COMMISSION.

Is in very close touch with Italian Government whom it advises on labor legislation, industrial relations, recruitment of labor and social security on an entirely advisory basis.

Supervises the application of such legislation in AMG territory and ensures coordination on such questions between Italian Government and AMG territory.

Controls machinery for handling military labor requirements and rates of wages.

In Italian Government territory, advisory, in AMG territory, executive.

9. FINANCE SUB COMMISSION.

Handles the custody and disbursing of AM lire to Allied units, accounts therefor, maintains the accounts of imported supplies, and is the channel through which the financial directives of the Allies are transmitted to the Italian Government. Advises the Italian financial agencies upon financial policies.

In AMG territory, action in both executive and advisory capacity. In Italian Government territory acts in advisory capacity in so far as the Italian Government is concerned, but in executive capacity in so far as direction from higher authority is concerned.

10. PUBLIC WORKS AND UTILITIES SUB COMMISSION.

Is charged with certain specific executive missions pertaining to the electrical reconstruction of Italy, under the provisions of AF B Administrative Memorandum No. 58, 1944. In addition acts in advisory capacity to Italian Government on matters concerning the rehabilitation of roads and the public utilities. Acts in executive capacity through Italian channels in such function in AMG territory.

11. FOOD SUB COMMISSION.

Is charged with the systematic procurement, and with the supervision of the distribution, of imported food supplies, and with the administration of local food resources.

Performs executive functions with respect to the procurement of imported supplies under direction from CNS (CIAC), and advisory functions to the extent that it advises the Italian Government on the feeding of Italy.

12. COMMERCE SUB COMMISSION.

Super issues and screens Italian exportable surpluses and supervises the distribution of industrial civilian supplies requisitioned on

Controls machinery for handling military labor requirements and rates of wages.  
In Italian Government territory, advisory, in AMG territory, executive.

9. FINANCE SUB COMMISSION.

Handles the custody and disbursing of AM lire to Allied units, accounts therefor, maintains the accounts of imported supplies, and is the channel through which the financial directives of the Allies are transmitted to the Italian Government. Advises the Italian financial agencies upon financial policies.

In AMG territory, action in both executive and advisory capacity. In Italian Government territory acts in advisory capacity in so far as the Italian Government is concerned, but in executive capacity in so far as direction from higher authority is concerned.

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Is charged with certain specific executive missions pertaining to the electrical reconstruction of Italy, under the provisions of AF H Administrative Memorandum No. 58, 1944. In addition acts in advisory capacity to Italian Government on matters concerning the rehabilitation of roads and the public utilities. Acts in executive capacity through Italian channels in such function in AMG territory.

11. FOOD SUB COMMISSION.

Is charged with the systematic procurement, and with the supervision of the distribution, of imported food supplies, and with the administration of local food resources.

Performs executive functions with respect to the procurement of imported supplies under direction from C33 (CIAC), and advisory functions to the extent that it advises the Italian Government on the feeding of Italy.

12. COMMERCE SUB COMMISSION.

Supervises and screens Italian exportable surpluses and supervises the distribution of industrial civilian supplies requisitioned on the Italian import programme. Liaison with Ministry of Industry and Commerce. Advises Istituto Commercio Estero.

Executive functions in collaboration with Italian Government with respect to control of imports and exports; advisory functions with respect to relations with Ministry of Industry and Commerce.

13. TRANSPORTATION SUB COMMISSION.

Executive. Supervision and control of rail and water shipments, procurement of shipping for shipments in excess of local capacity.

Advisory: advice to Italian Government on transportation matters, particularly road transportation.

(14)

-3-

14. WAR MATERIALS DISPOSAL SUB COMMISSION.

Disposition of captured enemy materials, allocation of Allied salvaged material disclosed surplus by Allied units. Functions purely executive.

15. AGRICULTURAL SUB COMMISSION.

Supervision of rehabilitation of Italian agricultural, forest and fishery resources.

As an advisory agency is particularly active in respect to programs for the raising of wheat, olive oil and other massed products owing to its direct effect on food imports from U.I. and U.S.

Agency in Italian Government territory, executive in AMG territory.

13

APPENDIX B

It will be seen that the policy of PAM 487 has been implemented and, with the disappearance of several sub commissions further implementation is envisaged. It must be remembered that directives continue to be received from higher authorities (e.g. PAM 583) which make it necessary, particularly in economic matters, for the Commission to take the initiative in tendering advice to the Italian Government, and to represent to them the views of SACRED and the CCS. There has, however, been a progressive tendency to place upon the U.S. and U.K. Regencies the responsibility of impressing on the Italian Government the views of the Allied Governments.

12

APPENDIX A.

U.S. EXECUTIVE BRANCH.

Remains at full strength in order to exercise the overall policy of the Commission.

COMMUNICATIONS SUB COMMISSION.

Considerably reduced but must remain to advise on general communications.

FOREIGN RELATIONS BRANCH.

Reduced

ECONOMIC SECTION.

Reduced, but must remain in considerable strength to deal with procurement and supply working directly with C.I.A. and F.I.A.

AGRICULTURE AND FOOD SUB COMMISSION.

Amalgamated at reduced strength.

COMMERCE AND INDUSTRY SUB COMMISSION.

Amalgamated at reduced strength.

FINANCE SUB COMMISSION.

Must be maintained at reduced strength so long as P.M. 503 remains in force. When currency conversion is completed and accounting for imported supplies no longer needed Sub Commission can reduce to 2 Financial Advisers to Chief Commissioner.

LABOUR SUB COMMISSION.

Disappears.

FIELD FORCE SUB COMMISSION.

Disappears.

TRANSPORTATION SUB COMMISSION.

199  
Of the total of Transportation officers required 3 are essential to warehousing functions. Movement personnel to remain at main strength as may be required by AFM in order to supervise civilian rail movement. Movement personnel are at present on AFM establishment and should presumably remain so.

WAR MATERIALS SUB COMMISSION.

Disappears at reduced strength to deal with retention of material and other

Reduced

GENERAL SECTION

Reduced, but must remain in considerable strength to deal with procurement and supply working directly with CIG and FSA.

AGRICULTURE AND FOOD SUB COMMISSION

As assigned at reduced strength.

COMMERCE AND INDUSTRY SUB COMMISSION

As assigned at reduced strength.

FINANCE SUB COMMISSION

Must be maintained at reduced strength so long as PAN 583 remains in force. When currency conversion is completed and accounting for imported supplies no longer needed Sub Commission can reduce to 2 Financial Advisors to Chief Commissioner.

LABOUR SUB COMMISSION

Disappears.

PUBLIC WORKS SUB COMMISSION

Disappears.

TRANSPORTATION SUB COMMISSION

199

Of the total of Transportation officers required 3 are essential to warehousing functions. Movements personnel to remain at such strength as may be required by AFHQ in order to supervise civilian rail movement. Movement personnel now at present on AFHQ establishment and should presumably remain so.

WAR MATERIALS SUB COMMISSION

Remains at reduced strength to deal with extensive disposal and other problems.

CIVIL SUPPLIES SECTION

Largely reduced.

EXERCISE SUB COMMISSION

Disappears.

11

ITALIAN IN BRANCH.

It is hoped that this will be transferred to the H.H.I.A.

LEGAL SUB COMMISSION.

Reduced to Legal Advisers to the CG and SCAG.

LOCAL GOVERNMENT SUB COMMISSION.

Reduced but maintained in order to advise on elections.

MONUMENTS AND FINE ARTS SUB COMMISSION.

Disappears.

PUBLIC HEALTH SUB COMMISSION.

Disappears.

PUBLIC SAFETY SUB COMMISSION.

Remains at reduced strength to deal with AMB territory and advise on general questions of public security.

STANBURY SUB COMMISSION.

Remains at full strength to deal with problems of deployment and general liquidation, i.e. disposal of transportation and stores.

DISPER SUB COMMISSION.

Remains at full strength until (a) all displaced persons have been moved or settled or (b) until ISECA taken over, whichever comes first.

611  
INCOMING MESSAGE  
HEADQUARTERS ALLIED COMMISSION

E. C. (9)

Originator's Reference: P 41581  
Date/Time of Origin: SEP 071136B

Message Centre No: P/6830  
Date Time Rec'd: SEP 071510  
Precedence: ROUTINE

FROM: AFHQ SIGNED SACMED CITE PHGEG  
TO: ALCOM ROME

SEP - 7 1945.

(4) CONFIDENTIAL

CONFIDENTIAL.

See letter subject organization and functions of ALLIED COMMISSION  
September 3.

2. CG MTOUSA is now considering as a matter of urgency the phase out plan for US Forces. 2675 REGT AC and 2696 Technical Supervision Regt are affected. As a maximum target figure a total strength of 700 US officers and men for entire ALLIED COMMISSION is set to be reached not later than December 1.

3. In connection with mentioned letter and above requirements it is necessary that the following information be available at AFHQ not later than noon 18 September.

A. Location and duties of personnel at present time. Individual names and individual duties within SubCommissions not required.

B. Phase out plan to eliminate 2696 REGT without delay and reduction of 2675 REGT to at least 700 by 1 December.

C. Probable location and duties of remainder of 2675 on 1 December.

4. Where information required in this signal is in addition to that requested in letter it will be included in reply to letter which is required at AFHQ by the hour and date given in para 3 above.

5. Final answer cannot be given to your 3812 August 16 until word comes from CCS one turn back of territory in northern ITALY. 197  
however the following are views of AFHQ on your para 1.

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See 21

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CONTINUATION PAGE 2

*150 officers  
to be kept  
with after  
handover* — 40 *Scanned  
by [unclear]*

- A. Not favorably considered. Should either be eliminated or reduced to mere skeleton. *- 501st officers*
- B. Considered liberal. Situation in south should also be reviewed critically. *- no Dis. Post. officers*
- C. Agreed for time being but subject to periodical review.
- D. Appears liberal. Need would not exist beyond October 31 except on very minor scale. *- CB 10s + Public Safety officers*

6. Desire to impress on you urgency of reduction to minimum essential scale, to meet requirements of PAN 487 and provide a suitable but not luxurious scale for AMG territory.

DIST

ACTION ~~Executive Comm~~ 2  
 INFO ~~Commissioner~~ 2  
 EST SEC 2  
 FILE

*Copy sent Gen Sec (Cordell)*

HEADQUARTERS  
7-SEP-196  
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AFHQ for G-5 Section

3812

16 August 45

PRIORITY

~~SECRET~~ PD

REFERENCE MY THREE SEVEN FOUR EIGHT DATED ONE FIVE AUGUST ONE NINE FOUR FIVE PD  
 PAREN TO AFHQ FOR GEORGE DASH FIVE FROM HQ ALCOM FROM ADMIRAL STONE CITE ACBCC PAREN  
 PARA ONE PD IN THE INITIAL STAGES AFTER THE HAND OVER I PROPOSE TO KEEP APPROXIMATELY  
 ONE FIVE ZERO ALLIED OFFICERS IN THE TERRITORY HANDED OVER TO THE ITALIAN GOVERNMENT  
 IN NORTHERN ITALY PD THESE WILL CONSIST OF PAREN ABLE PAREN FOUR ZERO OFFICERS  
 FORMING A CENTRAL ECONOMIC LIAISON GROUP AT MILAN TO DEAL WITH FOOD DISTRIBUTION CMA  
 COMMERCIAL AND INDUSTRIAL PROBLEMS ARISING FROM THE INDUSTRIAL COMMITTEES FORMED IN  
 THE NORTH CMA AGRICULTURAL PROBLEMS CMA WAR MATERIALS DISPOSAL CMA AND THE RESIDUE OF  
 PUBLIC WORKS FUNCTIONS IN THE NORTH SEMICLN PAREN BAKER PAREN THERE WILL ALSO BE  
 DISTRIBUTED OVER THE WHOLE OF THE NORTH SOME TWO ZERO TRANSPORTATION OFFICERS WHOSE  
 DUTIES CMA AS IN THE SOUTH CMA WILL BE CONNECTED WITH THE ITALIAN STATE RAILWAYS AND  
 THE PORTS SEMICLN PAREN CHARLIE PAREN THE DISPLACED PERSONS PERSONNEL NUMBERING A  
 FURTHER FOUR ZERO WILL BE LEFT TO COMPLETE THEIR PRESENT TASK UNTIL THE FLOW OF  
 REFUGEES AND DISPLACED PERSONS HAS CEASED OR UNRRA HAVE TAKEN OVER FROM THEM SEMICLN  
 PAREN DOO PAREN THE REMAINING FIVE ZERO WILL CONSIST OF LIAISON OFFICERS AND PUBLIC  
 SAFETY OFFICERS DISTRIBUTED OVER THE MAIN CENTRES IN THE NORTH INCLUDING BOLZANO CMA  
 WHOSE DUTIES WILL BE PURELY LIAISON AND REPORTING ON THE LINES OF DIRECTIVES ALREADY  
 GIVEN TO AC LIAISON OFFICERS IN SOUTHERN AND CENTRAL ITALY PD I CONSIDER IT IMPORTANT  
 THAT AT ANY RATE IN THE INITIAL STAGES WE SHOULD HAVE A NUMBER OF OFFICERS FOR THIS  
 DUTY AND I BELIEVE GOC NUMBER TWO DISTRICT IS PARTICULARLY ANXIOUS THAT **1951C**  
 SECURITY SHOULD BE WELL COVERED PD

See 9

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AFHQ for G-5 Section

3812

16 August 45

PRIORITY

(CONTINUED PAGE #2)

PARA TWO PD ALL THESE GROUPS ARE SUBJECT TO PROGRESSIVE REDUCTION DURING THE THREE MONTHS AFTER THE HAND OVER AND WILL BE CAREFULLY REVIEWED AT THE END OF THAT PERIOD PD I PROPOSE TO MAKE THEM SUFFICIENTLY MOBILE TO COVER THE WHOLE OF THIS LARGE AREA PD IN VIEW OF THE CIRCUMSTANCES DESCRIBED IN MY TELEGRAM UNDER REFERENCE I STRONGLY RECOMMEND THAT THIS NUMBER BE PROVISIONALLY APPROVED PD

PARA THREE PD I PROPOSE TO SUBMIT A NEW WAR ESTABLISHMENT FOR THESE FUNCTIONS AND FOR THE HEADQUARTERS OF THE COMMISSION IN DUE COURSE AND ALSO THE NAMES OF OFFICERS WHO WILL BE DECLARED SURPLUS UNDER THIS SCHEME WITHIN THE NEXT FEW WEEKS PD

PARA FOUR PD UDINE PROVINCE UNDER AMG WILL BE KEPT AT CONSIDERABLE STRENGTH NOT ONLY TO ENSURE THAT THE MILITARY NEEDS ARE FULLY MET BUT TO PROVIDE A SMALL POOL OF OFFICERS WHO MAY BE NEEDED FOR ALLIED MILITARY GOVERNMENT IF IT WERE REQUIRED TO BE SET UP IN AN EMERGENCY IN ANY OTHER PLACE PD

Copies to: Chief Comar  
Exec Comar  
Retab Sec (2)

NOT FOR HQ FLOAT

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Office of Exec Comar

<sup>611</sup>  
~~CONFIDENTIAL~~

<sup>3292</sup>  
E + Commission  
*(Handwritten initials)*

ALLIED FORCE HEADQUARTERS  
G-5 Section  
APO 512

3 September 1945  
SEP - 1945

SUBJECT: Organization and functions of Allied Commission.

TO : Chief Commissioner, Allied Commission, APO 394.

*Para 1-2 REPEATED*

*New Deal for Italy and etc*

1. I am directed by the Chief of Staff, AFHQ, to inform him as to the progress made in complying with certain policies contained in PAN 487, to forecast the reduction in personnel and functions of the Allied Commission, and to make recommendations in connection therewith.

2. PAN 487 contained the following policies:

a. The internal organization of the Allied Commission is the responsibility of SACESD;

b. The staff of Allied Commission Headquarters should occupy itself primarily with consultation and advice to the Italian Government at high levels;

c. As far as certain subcommissions are concerned, such as Education, Monuments and Fine Arts, Local Government, Labor and Legal, their advisory functions in respect of Italian Government territory should be exercised only when requested by the Italian Government. Control should not be exercised in respect of territory under the jurisdiction of the Italian Government.

3. While it is entirely possible that the policies referred to above have been and are being implemented, information as to the present detailed organization, strengths and functions are quite scanty. Will you therefore at your earliest convenience furnish the following:

a. A detailed organizational chart of Headquarters Allied Commission, including any elements not located in Rome;

b. Information concerning the strengths of the various subcommissions showing separately for British and United States personnel, officer and enlisted men/other ranks strengths; **193**

c. Brief synopsis of functions of each subcommission with specific statement whether it is an advisory agency or an executive agency;

d. Brief statement concerning the degree to which the subcommissions mentioned in paragraph 2 are complying with the policy set forth for their functioning.

*See H.S. See F9.121 (1 Sept 45)*

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e. A brief statement of the extent to which Headquarters Allied Commission, including any elements not located in Rome, can be reduced in strength and functions, using as a basis the assumption that no future directives concerning the future of the Allied Commission are received;

f. Any comments or recommendations considered desirable.



A. J. HUGHLEY,  
Brigadier General GSG,  
Assistant Chief of Staff, G-5.

Copies to: Resdin  
US Polad  
SACS  
CAD  
G-1  
G-3

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~~SECRET~~

EXTRACT FROM CHIEF COMMISSIONER'S MEMORANDUM  
CC 1001 dated 25 June 45, subject: 'Future  
Policy Toward Italy.'

"12. The Allied Commission, therefore, should be succeeded by an Allied Mission for the following purposes: Except in VENEZIA GIULIA, and possibly in the Southern Tyrolean provinces, Allied Military Government should have disappeared by September 1945. In order to ensure free elections and a free referendum, it will be recommended that a number of Allied officers, under the direction of the Commission or its successor, remain in the provinces, and a considerable number may be required in connection with the rehabilitation of industry. But by the end of 1945 both the redeployment of Allied troops, except those recommended in para 7(f) above, and the removal of Allied Commission officers in the field, will probably have been completed. It is recommended that the Head of the Mission with access to the United States and British Governments should be charged with the following functions:

- (a) As Chief Civil Affairs Officer, the administration of VENEZIA GIULIA and any other areas under AMG.
- (b) As Head of the Allied Mission:
  - (i) To coordinate the work of the military mission or missions.
  - (ii) To supervise the Allied Police Mission.
  - (iii) To supervise the Economic Board or to coordinate independent economic missions.
  - (iv) To coordinate the work of the Displaced Persons and Refugees Sub-Commission with UNRRA, the Inter-Governmental Committee for Refugees, and other

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organizations/....

-2-

organizations until such time as UNRRA  
took over all such functions.

- (v) To supervise the work of the Enemy War  
Materials Disposal Sub-Commission.
- (vi) To interpret to the Italian Government the  
conditions of any agreement made, vide para 7,  
and to safeguard Allied interests under such  
an agreement.
- (vii) To provide liaison between Allied Military  
Commander or Commanders and the Italian  
Government."