

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

785017

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INVESTIGATIONS, ECONOMIC
JUNE - DEC. 1945

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C&O

To see

10/14/77

4

2 listed

10/16/77

10/18/77

Extension

13

ESP. Your attention is limited to 5 5-12.

By contract the ES on the and action is being taken to have competent investigation, by the proper authorities in the Station Govt. This applies to both Hypers 5 6-12 and Bari 5 5.

10/14/77

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Noted

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Ext. 262

KJC/mb/ob

HEADQUARTERS ALLIED COMMISSION
APO 594
ECONOMIC SECTION

60-1/FA

8 December 1945

SUBJECT : Inspection of Naples Warehouses
TO : Executive Commissioner

DEC 13 1945

1. The Chief Commissioner called our attention to paragraph 16 of R/108/90/PRB of 17 November from Daily Digest of Rome Press, alleging that over 4,000 tons of foodstuffs given by the Allies was rotting in the warehouses of the Consorzio Agrario Provinciale in Naples, while the population was compelled to buy food in the black market.

2. Enclosed is a report of a representative of Food & Agriculture Sub-Commission who inspected the Naples Warehouses with a representative of the Transportation Sub-Commission. Paragraph (f) explains the report appearing in the Rome Press referred to above.

3. The recommendations made in sub-paragraph g (i) and (ii) have been put into operation.

for HARLAN CLEVELAND
Acting Vice President

Distribution:
Econ Sec - Sup Group (2)
F & A S/C (2)

ENCLOSURES :
Report of inspection.

see 11/13
PA 4062
11/14/45

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(HAW #)
SPK
11/12/45

REPORT OF INSPECTION OF NAPLES NATIONAL

WAREHOUSES

20-28 Nov. 1945

1. Below are the answers to the questions raised in the letter of HQ. AC Economic Section reference ES/8.01 dated 20 November.

a. Amount in tons of food supply, by kind, which has spoiled or is spoiling.

(i) Attached is statement of food in the warehouses determined to be spoiled or spoiling as of 8 November.

(ii) There is spoiled food in the outside stacks not listed in the attached statement because it has not yet been sorted out and segregated. How much this undetermined spoilage amounts to is difficult to say. At the time of the inspection, there was about 4500 tons of food stored in the open and it is unlikely that spoilage amounts to as much as three per cent (135 tons). However, the determination of this fact can not be made without turning the stacks over.

b. Indicate whether such supplies are AC/It, Govt. or UNRRA

(i) See attached statement of spoiled food.

c. What steps are being taken to dispose of any spoiled food supplies found.

(i) Mr. LEMMER of UNRRA promised to give immediate disposal instructions for the 221 tons of corn meal and oats to prevent further loss.

(ii) Immediate action was requested of Sig. JOVINE (Ministry of Food) and Sig. CENSI (Federconsorzi) to dispose of the infested chickpeas because of the danger the parasite would spread to our dr. vegetables.

(iii) Other spoiled supplies will be disposed of as condemned by the Commission set up for the purpose.

d. When will the warehouse be free of any such spoiled supplies?

(11) There is spoiled food in the outside stacks not listed in the attached statement because it has not yet been sorted out and segregated. How much this undetermined spoilage amounts to is difficult to say. At the time of the inspection, there was about 4500 tons of food stored in the open and it is unlikely that spoilage amounts to as much as three per cent (135 tons). However, the determination of this fact can not be made without turning the stacks over.

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(1) See attached statement of spoiled food.

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(11) Immediate action was requested of Sig. JOVINE (Ministry of Food) and Sig. CENSI (Federconsorzi) to dispose of the infested chickpeas because of the danger the parasite would spread to our dry vegetables.

(111) Other spoiled supplies will be disposed of as condemned by the Commission set up for the purpose.

d. When will the warehouse be free of any such spoiled supplies?

(1) Immediate action was promised to dispose of the UNRRA meal and oats and AC/It.Govt. chickpeas.

(11) In regard to other spoiled supplies we do not feel it advisable to hurry the warehouse in their disposition because a portion of the supplies may be saved for consumption by careful sorting out.

e. Is any of the spoilage due to failure of action on the part of AC or UNRRA?

(1) It is not thought that the spoilage that has occurred so far can be attributed to AC or UNRRA neglect.

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(11) One cause of spoiled foods in the warehouse is the original receipt of the supplies in bad condition. For example, the 42.454 tons of chickpeas "thickly infested with parasites" was received from 14 CRASC (Casoria) in that condition according to the warehouse management. Moreover, the warehouse maintains that 14 CRASC, from which supplies are frequently received, has been an offender in other instances, as in a recent delivery of a quantity of canned meat.

(111) The major cause of spoilage is the storage of food in the open because of insufficient covered space. The warehouse does its best to protect the supplies so stored by covering them with tarpaulins. However, the tarpaulins are torn and leak and in the summer the sun causes loss.

f. Information upon which the Chief Commissioner can base a reply, newspaper report.

(1) Apparently the report in the Rome press concerning the 4000 tons of foodstuff was taken from an article appearing in "IL GIORNALE" (Naples) 15 November, translation of which is attached. "Il Giornale" asked the Consorzio Agrario to explain why 4053 tons of food lying in the warehouses of the Federazione Italiana dei Consorzi Agrari, Naples was not being distributed to the people of Naples and expressed the fear that some of the food would be damaged by rain and that the Allies would cease the shipment of food feeling that more was not required.

(11) The article in "Il Giornale" refers to food allocated by the Ministry of Alimentazione to Sepra. of Naples for consumption in the six months period October 1945 - March 1946. The allocated food is lying in the National warehouses of Naples operated by the Federazione Italiana dei Consorzi Agrari because the Consorzio Agrari Provinciale, which should warehouse it, has inadequate storage capacity.

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(111) The food allocated to Sepra of Naples is withdrawn up to 26 November appears below.

COMMODITY	DATE OF ALLOCATION	QUANTITY KGS.	QUANTITY COLLECTED	STOCK ON HAND
Dried vegetables	Sept.	700,000	-	700,000
do	Oct.	550,000	-	550,000
do	Nov.	350,000	-	350,000
Dried eggs	Sept.	108,000	-	108,000
Fish	Oct.	91,046	33,353	57,693
Fish	Oct.	556,954	-	556,954
Herrings	Nov.	101,633	56,680	44,953
Evap. Milk	Sept.	2,549,500	404,531	2,144,969
TOTALS		5,007,133	494,564	4,512,569

- 3 -

(iv) The above figures make it clear that the food allocated to Naples Seprai has been moving out of the warehouses slowly, for although one-third of the period for which the food was allocated has passed only about one-tenth of supplies have been collected. Sig. CERRETO (Technical Inspector, Naples Seprai) was questioned as to whether the ration commitments were being met and why the food was not being utilized, but his answers were not satisfactory and he claimed not to know the whole story. Sig. CERRETO was requested to prepare for the Ministry of Alimentation a complete statement of the distribution of Naples Seprai for the period in question and an explanation of why the full distributions to which the population was entitled were not made if such proves to be the case.

(v) As the food allocated to Seprai Naples is not physically segregated in the warehouses, a separate report on its condition can not be made.

2. Recommendations

(1) It is recommended that Federconsorzi be ordered to make provision to have all supplies under cover at the Naples warehouses by 1 January at the latest.

(ii) It is recommended that Food & Agriculture S/C request the Ministry of Alimentation to investigate the operations of the Seprai of Naples to determine whether inefficiency or misconduct exists.

K. J. Curran

K. J. CURRAN
Major

Food & Agriculture Sub-Commission

Extract from "IL GIORNALE" of Naples 15 Nov. 45

NAPLES IS NOT BEING SUPPLIED

BY THE CONSORZIO AGRARIO

Over 4 thousand tons of foodstuffs have been

lying at San Giovanni for months with-

out being distributed

We are asking the Consorzio Agrario Provinciale, a question that is clear and pointed. The duty of the Consorzio Agrario Provinciale is to supply Naples by taking over and distributing the food that the Allies grant us with personal sacrifice. We are asking why the considerable quantity of food stocked in the warehouse at San Giovanni a Teduccio - belonging to the Federazione Italiana Consorzio Agrari - is not released and distributed from time to time to the town population. An inspection revealed the existence of the following merchandise in the warehouse since the dates indicated (and the relative dates given deserve particular attention).

Since 21 - 7 - 45	vegetables	Kg. 5,000
" 5 - 9 - 45	"	" 345,000
" 10 - 9 - 45	"	" 700,000
" 26 - 9 - 45	egg powder	" 108,000
" 1 - 10 - 45	fish	" 93,040
" 19 - 10 - 45	evaporated milk	" 2144,909
" 23 - 10 - 45	fish	550,954
" 2 - 11 - 45	herrings	101,367

All told there is precisely 4053 tons of foodstuff useful to everybody. And, as is obvious, all the Neapolitans could be supplied over a long period, these Neapolitans who are very short of food, thus easing the present serious situation of food scarcity. The vegetables that have been piling up in the warehouse since the month of July have almost reached 4 million kilograms and we are forced to buy them on the black market at 200 lire a kilo. Dried fish and egg powder could be distribu-

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Is the above situation due to neglect on behalf of the Consorzio? Or have special orders been issued from Rome? This state of affairs is causing a double risk: on the one hand the first rain and consequent humidity will damage the foodstuffs and render them useless; on the other hand the Allied, seeing that the food-stuffs are not being distributed, will be under the impression either that we do not need them and therefore they will not make further shipment, or that we are incapable of coping with these shipments and therefore they will let us drift our own way. In this last case - at least as far

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as the heads of the Consorzio are concerned they would not be at all wrong. Therefore a full and accurate reply would be useful to everyone : to the Consorzio and to the town population. We also point out that the Federazione has continually urged the Consorzio Agrario to take action to distribute the food, however up to the present no action has been taken by the Consorzio. The latter has taken no notice at all and yet the warehouses are stocked to such a capacity that any further arrivals of foodstuffs could not find warehousing space.

FOOD IN NAPLES NATIONAL WAREHOUSES
DETERMINED TO BE SPOILED OR
SPOILING AS OF 8 NOV 45

OWNER	COMMODITY	TONS	REMARKS
AC/It Gov.	Canned fish	3.332	Spoiled
"	" meat	0.240	"
"	Milk, Evap.	12.538	"
"	Chickpeas	0.444	"
"	Peas	1.202	"
"	Wheat	0.048	Gatherings & sweepings
"	Peas	1.361	"
"	Lard	3.450	"
"	Salmon	9.754	Suspected of poisonous mixtures
"	Pilchards & mackerel	6.891	Breakage, can not stand long journey
"	Meat	4.016	"
"	Milk Evap.	34.472	"
"	Milk Evap.	21.704	Partly spoiled. In process of selection.
"	Chickpeas	42.454	Thickly infested with parasites
TOTAL AC/IT.GOV.		141.906	
UNRRA	Flour	0.423	Spoiled

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EXEC Comm (5)

RESTRICTED

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ROUTINE

DEC 13 1945

ALCOM BARI FROM FRANCE

RE: ALCOM FOR ECONOMIC SECTION. INFO: HQ ALCOM FOR TN SUB COMMISSION
PORTS AND WAREHOUSE DIVISION. HQ ALCOM SUB COMMISSION

RESTRICTED.

1. RECENT EVENTS WITHIN THE ORGANIZATION OF FEDERAZIONE CONSORZI AGRARI BARI INDICATE LARGE THEFTS OF COMMODITIES FROM WAREHOUSE CORRUPT PRACTICES AND INEFFICIENT MANAGEMENT.
2. SEVERAL ARRESTS OF CONSORZIO PERSONNEL HAVE BEEN MADE IN CONNECTION WITH SUGAR THEFTS.
3. I RECOMMEND INVESTIGATION OF THE FEDERAZIONE CONSORZI AGRARI BARI BY COMPETENT AUTHORITY INCLUDING ALCOM AND ITALIAN MINISTRY OF ALIMENTATION AND HQ FEDERAZIONE CONSORZI AGRARI.
4. THIS OFFICE WILL BE PLEASED TO ASSIST AND COOPERATE INsofar AS IT IS ABLE TO.

AS DIST

ACTION : ECON SC (2)

INFO : CHIEF COMMISSIONER
EXEC COMM (2)
TN SC
FOOD & AGR SC (2)
FILE

4053

re 11/13

RESTRICTED

2/ (MAY 11) 5/14/45

2nd Indorsement to letter, Headquarters ALOOM, file 1.01/ES, dated 12 June 1945, subject: "Request for Inspector General" (2)

AG 333.5/213 DCS-O

2nd Ind

ALLIED FORCE HEADQUARTERS, APO 512, 11 July 1945.

TO: Chief Commissioner, Allied Commission, APO 394.

1. The Economic Section of the Allied Commission is an Allied agency. Therefore, the inspection of the activities of that section by personnel of the Inspector General's Department is not considered to be within the province of a US agency. Furthermore, it is considered that the appointment of an Allied mission to accomplish such an inspection of the Economic Section at this time is neither necessary nor desirable.

2. No doubt there are, and have been, many things wrong with various Allied agencies in this theater, all of which might equally suggest an application of measures requested in the basic communication. However, such action is not considered to be the solution of such a problem. The vigorous application, utilizing all personnel and material means available, of the necessary corrective measures to improve the existing situation is the function, and indeed the duty, of the Acting Vice President. His position may be likened to that of a commander who inherits an unfavorable tactical situation in the field.

3. If General McKinley desires to record with this headquarters his views on the unsatisfactory conditions found in the Economic Section upon assuming his duties as Acting Vice President thereof, he should reduce them to writing and submit them through the Chief Commissioner, Allied Commission.

BY COMMAND OF FIELD MARSHAL ALEXANDER:

/s/ C. W. Christenberry

C. W. CHRISTENBERRY
Colonel, AGD
Adjutant General

THIRD ENDORSEMENT

HEADQUARTERS ALLIED COMMISSION
APO 394

14 July 1945.

From: Chief Commissioner.
To : Brigadier General E. B. McKinley, U.S.A.,
Acting Vice President, Economic Section.

1. Forwarded.

ELERY W. STONE
Rear Admiral, USNR

4056 M3
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HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

1.01/ES

12 June 1945

JUL 8 1945

SUBJECT: Request for Inspector General

TO : Supreme Allied Commander
Allied Force Headquarters
APO 512
(Through Channels)

1. Upon assuming the duties of Acting Vice President in charge of the Economic Section, Allied Commission, per Executive Order No. 45, Hq. A.C., 11 June 1945, I find the level of operating efficiency such as to warrant a thorough investigation by a disinterested agency with a view to the immediate application of the corrective measures which such an investigation will suggest as necessary.

2. Request is made, therefore, for the assignment of the necessary personnel of the Inspector General's Department to conduct the required investigation.

cc: Ex. Commr.

(RECEIVED 9 JULY 45)

E. B. McKinley
S. B. MCKINLEY
Brigadier General, U.S.A.
Acting Vice President

FIRST ENLIGHTENMENT

HEADQUARTERS ALLIED COMMISSION
APO 394

20 June 1945

From: Chief Commissioner.
To : Supreme Allied Commander, Mediterranean Theater.

1. Forwarded.

Te/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR

