

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

ACC

10000/109/844
(VOL. I)

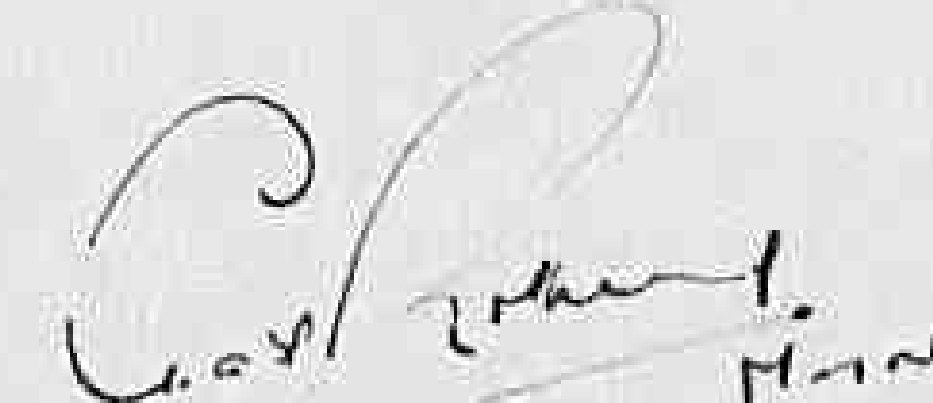
Declassified E.O. 12356 Section 3.3/NND No. 785017

10000/109/844
(VOL. I)

IMPORTS, GENERAL
AUG. 1944; JAN. 1945 - JULY 1946

- 2 -

This does not however seem to apply to boots and shoes. It is understood that raw material for the making of buttons can be imported but that the policy of the Italian Government is against the importation of manufactured buttons. This would probably apply to the import of boots, shoes. Coffee can be imported only "Franco Valuta", that is, without any disbursement of foreign exchange. In any case the matter will be pursued by this Branch in conjunction with the Italian Ministry of Foreign Trade.



H.A.F. ROTHEY
Maj. Lincoln
Director
Commerce (For. Trade) Branch

76

To the Executive Commissioner

Secretary attention to minute 76

~~76~~

V. P. Eganbee.

Thank you.

Pass the whole matter over to the

Economic Advisor of the British Embassy

To Capt Rothe

78

HM 28/6

1673

79

results. Please comply with minute

77

Let me know
c.w.

20 Aug 1944
For action

c w w

~~74~~ 75

This Branch is doing everything possible to re-activate trade between Italy and Occupied Territories including Eritrea. The Branch is in close contact with the Italian Ministry of Foreign Trade and the B.M.A. of the territories concerned. The object has been to re-establish private trade. Concurrence was obtained from Civil Affairs, Cairo and a system has been agreed upon.

This Branch is assisting the visits of Italian business men to these areas. Correspondence urging entry permits for Tripolitania has been had with BMA - through AFHQ. Eritrea has already granted an entry permit to one Italian business man and we have another request in. An Italian business man, Eugenio SPINELLI, mentioned in Fo.72 who was resident in Eritrea before the war and who was assisted to come to Italy by BMA Asmara and who has always been engaged in trade between Eritrea and Italy has also received our assistance in travel and other means. He has now bought a 5,000 ton ship which will sail regularly between Italian ports and Eritrea.

The situation is that Italy is willing to import from her ex-colonies all goods of prime necessity especially food and raw materials. As these areas are now, for practical purposes, sterling areas, trade must be carried on in sterling. The availability of sterling credits might limit trade to some extent. But, as it is hoped that trade will be reciprocal and conducted on a private basis, there does not seem any great obstacle to a rapid re-activation of trade.

Of the items mentioned, meat, bacon and ham are controlled food items and cannot be imported into Italy without the special authority of the C.F.B. through UNRRA. Salt is free, but there is a fair availability here in Italy. Hides, skins and leather are controlled by the Combined Boards and special permission for import is required.

./.

1673

74

Colonel Walton,
A/VB, Economic Section.

I received a call from Bishop MARWINONI the other day in which he put forward roughly what is in the letter at Folio 73. It seems to me that most of the action is required from the British authorities in Eritrea but I am wondering whether you can help this end and whether, in fact, there is any objection to the importation of the articles mentioned in para 3(f) from Eritrea.

1672

24. June. 46

M. S. Love
Brigadier
Executive Commissioner.

54

640

to info from 53

CDR 24/8 24-31/8

57

640

to info from 55 & 56
CDR 24/9 24/9

64

640 Inter

to info from 63

CDR 24/9 24/9
24/9 24/9

ALC. 2

CDR. Herewith 67 for information 24/9 24/9

24/9 24/9

1672

785017

44.

TO: Executive Commissioner

Reference Minute No. 43. Our interpretation of "Mediterranean Areas" was stated to AFHQ G-5 in Appendix to our letter AV/5127/A/COM-100 dated 31 May 1945, in which Eritrea was specifically mentioned as under British Administration. AFHQ G-5 in confirming our interpretation of Washington's directive (letter ref. 1-11 dated 4 June) did not raise any objection to the inclusion of Eritrea. A letter was written dated 14 June to BMA Eritrea in regard to export availabilities, so that if our interpretation is incorrect, we shall be informed of the fact very shortly.

Copies of first two letters mentioned above are attached opposite for your file.

C.W. Walton
C.W. WALTON, Col.,
Chief Supply Division
Economic Section

C.S.O.

Please see Minute 44 in answer to E.C.'s minute of 43

21/6/45.

Executive Commissioner.

To see minutes 44 & folios 44A, B & C.

21/6/45.

47

C.S.O.

1673

Thank you

I see that we shall be advised as to the

incorporation of Eritrea. A letter was written in June to BMA Eritrea in regard to export availabilities, so that if our interpretation is incorrect, we shall be informed of the fact very shortly.

Copies of first two letters mentioned above are attached opposite for your file.

e.w. Walton
C.W. WALTON, Col.,
Chief Supply Division
Economic Section

C.S.O. Please see Minute 44 in answer to E.C's Minute of 43

DL 21/6/45.
46
Executive Commissioner.

To see minutes 44 & follow 44A, B & C.

21/6/45. 47 C.S.O. 1670

Thank you
I see that we shall be advised as to the countries effected & we had better wait for that.
The Anglo-Egyptian Sudan territories are doubtful cases in my opinion

21/6/45
W.S.

51
For info please see folio 50

CD 24/7/45

33

Cdo Notes 32 for info.

CRD 2/6/45

8/2/6

Cdo

38

Review file 37 as well as files 36... for info.

CRD 8/6/45

8/8/6

41

Cdo

Review file 39 & 40 for info.

CRD 17/6/45

Executive Commission

42

To see for info 40 for info.

8/8/6
C.S.O.

18 June 45.

43

V.P. Econ. Sect.

Are we sure that Enitrac is included. It is 1609
M. it is in the literal?

8/6/45
S. 8/11

41

Edo Please see files 39 & 40 for info.

Adm 17/6/45

42

Executive Commission

To see for info too for info.

S. 8/11
C.S.O.

18 June 45.

43

V.P. Econ. Sect.

Are we sure that Evitree is included. If so 1663

not in Mediterranean Literal?

MS 15/6

CSO:

Do you wish to have copy of reports referred to in folio 3 to see?

Seen. G.S.

13/1 p.a.

J.C.R.
Major.

8 Jan 45.

8CSO:

Para 2 and 3 of folio 7 are Eoon Sect's reply to COS folio 6 on informal inquiry thru Col. Shipp from Mr. Harden in London.

J.C.R.
Major.

12 Feb 45

20Ex Com:

To see folios 17, 18 and 19.

L.W.S.
Major.

10 Apr 45.

21

No action is, I suggest, necessary.

E.T.
Major.

11 Apr, 45.

11/4. Noted. F.

26

CSO: see folio 25:

Commerce S/C is preparing a reply to the firm concerned. *KFL*
30/427

May Stearns

P1 check on this - 25 - 26 1668

... and of folio 7 are Eoon Sect's reply to CDS folio 6 on
informal inquiry thru Col. Shipp from Mr. Harden in London.

J.C.R.
Major.

12 Feb 45

20

Ex Com:

To see folios 17, 18 and 19.

L.W.S.
Major.

10 Apr 45.

21

No action is, I suggest, necessary.

E.T.
Major.

11 Apr, 45.

11/4. Noted. F.

26.

CSD: ~~see~~ folio 25:
Commerce S/C is preparing a reply to the firm concerned. *KLR*
30/4

27.

May Starnes

Pl check on this - 25 + 26 1668

Li + 1/3

Labo.

30
Please note folio 29 answer to 25 + 26
Case 11/6/45

PAL

HEADQUARTERS ALLIED COMMISSION
APO 794
COMMERCE (FOREIGN TRADE) BRANCH

Tel. 393

GAFN/HI/mo

Ref. AC/5127/Eritrea/Commerce

2 July 1946

SUBJECT : Re-establishment of Trade with Eritrea

JUL 2 1946

TO : Economic Adviser of the British Embassy,
Rome

1. On the instructions of Brigadier Lush, a copy of a letter received from Advanced Allied Force H.Q., CMF, containing a resumé on the economic situation of Eritrea submitted by the Right Rev. Bishop Marinoni of Asmara, is forwarded herewith, for your information.

G.A. P. ROTHLEY
Maj. Lincoln
Director
Commerce (For. Trade) Branch

1 encl. as above

Copy to: AVP Economic Section
" " 4404/E.C. ✓

see M/7778
1667

[Handwritten signature]
CARTON

PA
3/72

TELEPHONE 66 347

ADVANCED ALLIED FORCE HEADQUARTERS

LIAISON SECTION

ROME AREA ALLIED COMMAND.

C. M. F.

ROME, 13th June. 1946.

Reference. Bishop Marinoni, ASMARA.

JUN 25 1946

To Brigadier M. Lush. CBE.MC.

Allied Commission, Rome.

1. Bishop MARNINONI of ASMARA has just arrived, and he will ~~be~~ leaving for Florence tomorrow Friday, returning to Rome in six weeks time on the way back to Eritrea.

2. He has considerable influence among the Italians in Eritrea, and has given invaluable assistance throughout the Allied occupation, in assisting our relations with the local population.

3. When I saw him yesterday afternoon, he made the following points.

(a) There is considerable distress caused by unemployment - due to workmen being discharged from Allied Military camps etc. such as Gura aerodrome etc. One thousand unemployed in the Ghinda camp alone.

(b) Nearly all the residents wish to go back to Italy to see their families from which they have been separated for six years ; uncertain political conditions have destroyed enterprise, and confidence in property in the country, for Italian nationals.

(c) The local residents have no idea as to the high cost of living in Italy, and they do not appreciate the fact that they are relatively very well off in Eritrea, where the British administration has been just, sympathetic, and efficient.

(d) The paramount necessity is to organise means whereby the country could export, preferably to ITALY. This would ~~relieve~~ ¹⁶⁵⁸ unemployment at once, and give economic stability.

see M74-76-77

Eritrea should be made financially independent, and could then live on its own resources. 12

(c) It is necessary to set up some organisation at this end. If this were done, means of transport by sea could probably be found, in order to send Eritrean produce to Italy. In exchange, Italian manufactured goods could be sent to Eritrea to pay for their produce, which would include many foodstuffs.

(f) The following are available for export from Eritrea.

1. Boots and shoes. There are a million pairs ready for export, mostly I believe from the Spinelli factory.
2. Buttons (dom nut) Ten million a day are manufactured. These are no longer needed by the Allied Forces.
3. Meat refrigerated.
4. Bacon and ham.
5. Agave fiber , for ropes , string, sacking, bags etc.
6. Leather tanned.
7. Hides, skins, washleather etc.
8. Salt from the "Saline Eritree " at Massawa in large quantities.
9. COFFEE.

I have just made a few notes to give you some idea as to the general lines of discussion. Possibly Sudanese produce might also be included.

Ali de Sali Lt. Colonel.

4494 + 4025 86 Ex Comm 71
RESTRICTED

ALLIED FORCE HEADQUARTERS

AFHQ 512 Dist

Act - Econ Sec

SO & CE

Ex Comm

217 Reg

HQS

ADMINISTRATIVE MEMORANDUM)

NUMBER 8)

25 April 1946

MAY 2 1946

Local Procurement in Italy -- Requisition or Purchase of Italian Imported Items I
Military Exports from Italy or Locally Procured Items II

I -- LOCAL PROCUREMENT IN ITALY-REQUISITION OR PURCHASES OF ITALIAN IMPORTED ITEMS

1. General

Civil imports for ITALY (with the exception of VENEZIA GIULIA and the province of UDINE) are no longer a military responsibility. The import of civil supplies including coal is now the responsibility of civilian agencies working directly with the Italian Government. Assistance where necessary, is given by the Allied Commission.

2. Allied Service procurement agencies have in the past obtained many of their requirements by local procurement in ITALY and it is appreciated that this practice cannot be terminated at short notice.

3. Future Policy

It is now desirable that Allied Forces should restrict their local procurement of articles included in the Italian Civil import program or manufactured wholly or partially from items included in the Italian Civil import program to essentials which are urgently required and cannot be procured in time from any other source.

4. Procedure

a. Under paragraph 7 of Section II of AFHQ Administrative Memorandum Number 54, 1945, it is laid down that no items which are included in the Italian Import program or articles manufactured from items included in the Import program will be procured without prior reference to the CAO through G-5 Section, AFHQ. Appendix "A" to this Instruction extends the list of restricted items to include all those items included in the Italian Import program or articles manufactured from items included in the Import program and cancels the list of Restricted Items in Appendix "A" to AFHQ Administrative Memorandum Number 54, 1945.

b. With effect from the publication of this Instruction local procurement by Allied Forces of items on the revised list of Restricted Items will be dealt with according to the procedure in paragraph 4, Section II, AFHQ Administrative Memorandum Number 54, 1945. If the Italian Ministry or AMG representative states that no surplus above essential civil needs exists or that the items being procured are included in the Italian Import program or are manufactured from items included in the Import program and it is still desired to make the purchase the Allied Service procurement agency concerned will forward to the appropriate Staff Section of Allied Force Headquarters a full justification for the procurement which will include:

RESTRICTED

1663

548
(CAPT 227)

PA 3
RHS

R E S T R I C T E D

AFHQ Adm. Memo. No. 8 (Cont'd)

- (1) Project for which required and urgency.
- (2) Raw materials required to complete project.
- (3) Availability of raw materials from military or other sources.

c. The Staff branch concerned will submit recommendation to the CAO through G-5.

d. Before forwarding the application to CAO, G-5 will add their comments which will include:

- (1) Extent to which raw materials to be provided from civil sources form part of the Italian civil import program.
- (2) Recommendations of appropriate relief agency in ITALY. (UNRRA for procurement in Italian Government territory: AMG UDINE for UDINE Province and AMG VENEZIA GIULIA for Zone "A", VENEZIA GIULIA).

e. The only exception to the above will be existing uncompleted contracts and in cases where procurement has already commenced prior to contract being effected, providing such procurement does not continue for more than TWO months from the date of publication of this instruction. Procurement agreements continuing longer than TWO months will be reviewed in accordance with paragraph 4b, c and d above.

5. When procurement authority has been obtained in accordance with the above procedure, G-5 Section will, through Allied Commission, insure that the Italian Government accord priority release of materials to the extent authorized for military purposes.

II-- MILITARY EXPORTS FROM ITALY OF LOCALLY PROCURED ITEMS

6. Local Italian purchases which have been paid for either in lire or charged directly to the Italian Government have been made and are being made by Allied Services procurement agencies for export for the direct support of Naval, Air and Ground Forces in countries other than ITALY. Some of these commodities are exported direct and others are stock-piled for general military use and are subsequently exported as a normal Service issue.

7. Records will be compiled and maintained of all military exports from ITALY which have taken place since 31 August 1945, i.e., the date of termination of combined military responsibility for the provision of essential civil supplies.

8. These records will be compiled and maintained by the Chief Accountant, Allied Supply Accounting Agency and procuring agencies will notify him within two months of the publication of this memorandum.

R E S T R I C T E D

R E S T R I C T E D

AFHQ Adm. Memo. No. Q (Cont'd)

a. The actual quantities of all military exports effected between 1 September 1945, and the present time and the price paid therefor (or the lire value if not a cash transaction) and:

b. The actual quantities of all future exports and the price paid therefor (or for the lire value if not a cash transaction).

BY COMMAND OF LIEUTENANT GENERAL MORGAN:

1 Incl:
Appendix A

Ralph C. Tilley
RALPH C. TILLEY
Colonel, AGD
Adjutant General

DISTRIBUTION:

10 - HQ BTA	1 - G-4
10 - HQ XIII CORPS	1 - G-5
10 - HQ IV GRANCE	1 - "Q"
10 - Hq 2 District	2 - G(Mov)
10 - Hq 3 District	1 - Liaison
5 - Hq Rome Area Allied Command	1 - NZLO
5 - HQ RTMA	1 - FAC
5 - C-in-C Mod	1 - RA
1 - F.O.I.L.	2 - Engrs
5 - AHQ ITALY	1 - Sigs
5 - Allied Commission (ITALY)	1 - Survey
5 - Allied Commission (AUSTRIA)	1 - Inf
5 - UNRRA (ITALY)	1 - Historical Sec (Br) MILSTATT
10 - HQ UNRRA	2 - Tn (Br) (Main)
10 - HQ Western Base Sec	1 - SF
10 - HQ USAFE	1 - Med
10 - HQ IDS	1 - Crd
10 - HQ USFA	5 - REE
5 - HQ 88th Div	1 - Labour
5 - Rome Area, MTO	1 - EM (Br)
5 - HQ HAFCD	1 - Postal
2 - HQ COMD (MFOUSA)	1 - PA
2 - HQ FOGGIA ARMY AIR BASE	1 - Prints
2 - HQ COMANTED	1 - EPI
1 - SACS	1 - Salvage
1 - CAO	1 - Claims & Hirings
1 - AG	1 - DPIC
1 - MS	1 - Fire
1 - "A"	1 - Welfare
1 - G(SD)	1 - Camp Comdt
1 - C-2	1 - HQ CASERTA Enclave
1 - G-3	1 - War Diary

3
R E S T R I C T E D

RESTRICTED
APPENDIX "A" to AFHQ Adm. Memo. No. 8

LIST OF RESTRICTED ITEMS

- (a) All foods other than fruits and vegetables.
- (b) Livestock.
- (c) Lumber, building materials and allied products.
- (d) All fuels.
- (e) All medical supplies.
- (f) Agricultural machinery, pesticides, fertilizers, and seeds.
- (g) Steel and steel products.
- (h) Non ferrous metal and non ferrous metal products.
- (i) Cellulose, paper, and paper products.
- (j) All other materials, raw, finished and semi-finished, that are imported, at least in part.
- (k) Articles manufactured from imported items.

RESTRICTED

1662

HEADQUARTERS ALLIED COMMISSION

APO 394

Office of the Executive Commissioner

Ref: 20.02/EB

22 October 1945

OCT 22 1945

My dear Mr. Prime Minister:

For your information I am enclosing copy of letter AC/5203/DIR/Commerce dated 13 October 1945 directed by General McInley, Acting Vice President, Economic Section, to Professor Giovanni Gronchi, Minister of Industry and Commerce, Italian Government.

The letter has to do with delay in distribution of supplies imported on behalf of the Italian Government and under the jurisdiction of the Istituto Commercio Estero (ICE).

I am hopeful that your Government will soon have this situation under control. I am, however, apprehensive with respect to this matter as it has progressed in the past. Because of the importance of this situation and realizing how deeply you are interested, I am sending the attached letter for your information.

Sincerely,

W. H. STONE
Rear Admiral, USNR
Chief Commissioner

1 Encl: Ltr. m/a

Professor Ferruccio Parri
The President of the Council of Ministers
Italian Government
ROME

1663

(65)

Ref/4404/65/CT

8th Sept 1945

MEMO TO: Economic Section,
Attn: Col Denmore.

(55)

Reference attached.

Does this give us firm enough information to inform
CLAC of distribution by ports? In other words, is this the
first information we have received under the new machinery and
is this the way it is coming in the future, i.e., through Poland
APTE?

Is this perhaps the information also referred to
in CAL 1484 of Sep 6, also attached?

M. S. LUSH

Brigadier,
Executive Commissioner.

MSL/JB.

21/9
Capt. Hylan may
answer is on the way up

PA
10/9
1653

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

4404

63

10: FOR ACTION AGMAR FOR GCS FOR CCAC FOR CLAC FOR MCINLEY OR CLEVELAND RTD
 UK BASE SECTION (LONDON) FOR CABINET SECRETARIAT RTD AFHQ FUGEO

4766

6 SEPTEMBER 1945

ROUTINE

SEP - 6 1945

UNCLASSIFIED PD

58

61

THIS IS MOC TWO NINE FIVE PD REFER MOC TWO EIGHT NINE CMA AND CAL ONE FOUR
 SEVEN FIVE CMA CLEVELAND REPORT NUMBER FOUR PD

PARM FOR ACTION AGMAR FOR GCS FOR CCAC FOR CLAC FOR MCINLEY OR CLEVELAND
RTD UK BASE SECTION (LONDON) FOR CABINET SECRETARIAT RTD AFHQ FUGEO FROM
HQ ALCON CITE AOEEO PARM

PARA ONE PD URGENTLY REQUIRED IS AVAILABILITY INFORMATION ON PROGRAMMED
 SUPPLIES CMA DEFINITE PROCEDURAL INSTRUCTIONS TO AG ON CALLING FORWARD CMA
 OFFICIAL ASSURANCE THAT THE SUPPLIES PROGRAMMED FOR THE LAST THREE MONTHS OF
 THIS YEAR WILL ARRIVE IN THE APPROPRIATE MONTHS PD PLEASE SEE TO IT THAT I
 AM OFFICIALLY ADVISED OF AVAILABILITY CMA PROCEDURES CMA AND THAT THE FIVE
 LINES WILL BE KEPT FULL THROUGHOUT THE REMAINDER OF THE YEAR PD

From: Economic Section

546

CHARLES W. WALTON
 Colonel

NICHOLAS FIOBBINO
 CWO USA

Asst. Adjutant

1658

(EAST AIRBORNE)

pg 4

HEADQUARTERS ALLIED COMMISSION

APO 394

Office of the Executive Commissioner

Ref:

14 September 1945.

Chief Commissioner.

1. I spoke to Colonel Denmore and Colonel Walton on the subject of supplies for Italy during the remaining months of 1945. Brigadier Parsons, G-5 AMHQ, was present.

2. It was emphasised that as from September programme October arrivals the position is dangerously vague. It is not known what machinery is to be used and nothing further has been received since attached telegram "A" of 22nd August, except Cleveland's unofficial predictions. Economic Section has sent a telegram of reminder ("B") but I directed that a telegram be sent in your name to McKINLEY and in his absence to CLEVELAND, insisting on official advice being given. I attach a further telegram to CAO.

3. I shall review all COM-MOC cables in future.

MSL/JC.

MSL
Brigadier,
Executive Commissioner.

Seen by CC - PA

1657
9/9

(Capt. Alexander)

Post 10/10/45

FOR ACTION AGWAR FOR CCS FOR CCAC FOR CLAC REED UK BASE SECTION (LONDON)

FOR CABINET SECRETARIAT

4655

1 SEPTEMBER 1945

ROUTINE

UNCLASSIFIED PD

THIS IS MOC TWO EIGHT NINE PD REFER MOC AIR FIVE SEVEN CMA ITEMS EASY ONE NINE AND TWO HAUGHT CMA AND MOC AIR SEVEN SEVEN CMA ITEMS EASY ONE SEVEN CMA ONE EIGHT, CMA AND THREE SEVEN PD

PAPEN TO FOR ACTION AGWAR FOR CCS FOR CCAC FOR CLAC REED UK BASE SECTION (LONDON)

FOR CABINET SECRETARIAT FROM HQ ALCOA CITE ACHRO PAPER

PAPA ONE PD ADDITIONAL SPECIFICATIONS AND WHERE PROCURED BEFORE ARE AS FOLLOWS CLM ABLE PD FOR EASY ONE NINE HYHEN GETANOL CMA IN MOC AIR FIVE SEVEN AND EASY ONE SEVEN GETANOL CMA IN MOC AIR SEVEN SEVEN THEY ARE AS FOLLOWS CLM GETANOL HYHEN PROTHER PD PRODUCT OBTAINED FROM THE DISTILLATION OF BECH TAR PD IT IS USED FOR HIGHLY FLOATING OPES CMA PARTICULARLY FOR THE FLOTATION OF GRAPHITE AND COAL CMA ALSO WHEN MIXED UP WITH PYRITES PD IT WAS PRODUCED BY THE IIA GERRY FRANKFURTER OF FRANKFORT AMY MARY AND SOLD THROUGH THE GESELLSCHAFT FUR AUFBEREITUNG OF GERSTHOFEN CMA BAVARIA PD BAKER PD FOR EASY THREE SEVEN FLOTAL IN MOC AIR SEVEN SEVEN THEY ARE AS FOLLOWS CLM PROTHER PD PRODUCT OBTAINED BY SYNTHESIS OF SYNTHETIC TERPENIC ALCOHOLS AND ONE HAUGHT PERCENT HYDRACARBONS PD IT IS A GENERAL REAGENT FOR SULPHIDE RADTIONS AND IS USED INSTEAD OF AMERICAN KINE HYHEN OIL FOR THE FLOTATION OF GALENA AND BLENDS PD SAME

SEE F 65
1658

60
B

PAGE TWO - 4655

THIS IS MOC TWO EIGHT NINE CONTINUED PD

CHARLIE PD FOR EASY TWO NAUGHT FLOTOL SAGGY PD TW IN MOC AIR FIVE SEVEN AND EASY
ONE EIGHT FLOTOL SAGGY PD TWO IN MOC AIR SEVEN SEVEN THEY ARE AS FOLLOWS CLN SAME
AS FOR FLOTOL ANY PD THIS PRODUCT CMA HOWEVER CMA IS LESS EFFICIENT BECAUSE THE
TERPENIC ALCOHOL CONTENT IS ONLY OF FOUR NAUGHT DIAGONAL FOUR FIVE PERCENT PD IT IS
USED AS A FROTHER FOR GRAPHITE AND COAL PD SAME SOURCE OF PRODUCTION AS ABOVE PD
PARA TWO PD REFERENCE MOC AIR SEVEN SEVEN CMA FOX ONE RAN RUBBER CMA FOX SIX DRY
LATEX PD GRADES REQUIRED STANDARD SMOKED SHEETS PD DRY LATEX IS TO BE INTERPRETED
AS LIQUID LATEX PAREN NATURAL PRESERVED PAREN WITH ONE NAUGHT FIVE TONS DRY RUBBER

CONTENT PD

NEW SUBJECT PD REFERENCE MOC TWO TWO SIX CMA MAT EIGHT THREE NAUGHT CMA LAC EIGHT
THREE CMA CAL ONE FOUR SEVEN FIVE CMA MOC TWO EIGHT ONE AND CLEVELAND PROGRESS
REPORT NUMBER FOUR CMA REFERENCE SHIPMENTS ALL CATEGORIES OF SUPPLIES FOR ITALY
DURING LAST QUARTER ONE NINE FOUR FIVE CMA BOTH EX UNCLE SUGAR AND UNCLE KING CMA
PARTICULARLY ITALYS BASIC REQUIREMENTS CMA AND LACK OF OFFICIAL ADVICE OF ACTION
REQUIRED OF ALCOM AND AVAILABILITIES CMA ALLIED COMMISSION DESIRES THAT A MAXIMUM

59

PAGE THREE - 4655

THIS IS MOO TWO EIGHT NINE CONTINUED PD
OF SUPPLIES BE SHIPPED AS AVAILABLE CMA AS PER MONTHLY REQUIREMENTS PREVIOUSLY
STATED PD NEW SUBJECT PD REFERENCE CCM TWO ONE THREE PD COMS TWO NAUGHT FIVE CMA
ONE NINE ~~MOO~~ TWO CMA AND ONE FOUR TWO WERE ANSWERED BY MOOS TWO EIGHT ONE CMA
TWO EIGHT NINE CMA AND TWO FIVE NINE RESPECTIVELY PD OTHER REFLIES IN PREPARATION
WILL BE FORWARDED SOONEST PD

cc: Public Health SC
Industry SC
Chief Commissioner
Tnpt SC
Br Embassy
Am Embassy
Agric SC
Food SC
Econ Sec (3)

Requisition Branch

549

1654

TWO EIGHT NINE CMA AND TWO FIVE NINE RESPECTIVELY FD OTHER MATTERS IN PREPARATION

WILL BE FORWARDED SOONEST FD

cc: Public Health SC
Industry SC
Chief Commissioner
Tnpt SC
Br Embassy
Am Embassy
Agric SC
Food SC
Econ Sec (3)

Requisition Branch

549

H. C. QUARTIER
Lt. Col, GAC
Economic Sec

1654

NICHOLAS FLOMBINO
CWO, USA
Asst Adjutant

R 1798
AUG 220049Z

T/4818
AUG 221415B
ROUTINE

WAR FROM CCS CITEO

ALEXANDER FOFEGEG INFO ALCOM AND UK BASE SECT FOR CABINET

SECRETARIAT

ES File

UNCLASSIFIED

This is CAL 1475.

Termination of military supply responsibility.

Termination of military supply responsibility. ref LAG 1276.

Your paragraph one: CLAG has been requested to expedite reply to MOC 226. Your paragraph 2: upon completion of military civilian supply program for ITALY you will be relieved of all civilian supply responsibility. Administrative procedures will be established by civilian agencies. Your paragraph 3: CLAG has been requested to expedite transmission to AC of advice requested. Your paragraph 4: your assumption is correct HILLDRING.

Dist

Info-Action - Requisition Div
Info - Chief Commissioner
Exec Commr 2
Econ Section
Finance SC
Food SC 2
In SC 2
File 2
Float

Regn. Br. Dist:
For Info: Agriculture S/C
Commerce S/C
Industry S/C
American Embassy
British Embassy
P. W. & U. S/C
Col. Walton
Brig. Anderson
Maj. Ansen
File 2

BY S. P/A
S/O 22/8
Sec'y SEE F.62

1653

785017

HEADQUARTERS ALLIED COMMISSION
APO 394
Economic Section

LDD/sc

Tel: 267

3 Sept. 1945

Ref: 1.37 /ES

SEP - 4 1945

SUBJECT: FEA Requisitions.

TO : See Distribution.

For your information attached is copy of memorandum to
General J. T. McNarney dated 25 Aug 45 from U. S. Political
Adviser AFHQ, above subject.

FOR THE ACTING VICE PRESIDENT:

L. D. Dinsmore

L. D. DINSMORE
Colonel, FA
Chief Staff Officer

Incl: 1
m/a

DIST: Chief Commissioner
Supply Division E/S
Requisition Branch E/S
Food S/C
Commerce S/C
Transportation S/C
Finance S/C
Mr. James M. Merritt (Agri.)
Mr. Sam Keeny UNRRA

(CARL ARNOLD)

W. P. A. 5/9
1052 1757

UNITED STATES POLITICAL ADVISER
ALLIED FORCE HEADQUARTERS

C O P Y

August 25, 1945

MEMORANDUM TO: General J. T. McNarney

SUBJECT : FEA Requisitions

The Department of State has informed this office that FEA placed requisitions on August 20 with the Treasury Department covering 400,000 tons of wheat for last quarter 1945; also for September only, 7842 tons of sugar, 2583 tons of pulses, 229 tons of coffee, 3440 tons of dried milk, and 2146 tons of fats. The last five items were reallocations from the Army to FEA on items which had not been filled. The allocation for 367,000 tons of coal for September was received and the requisition placed. At present only 44,000 tons POL appear to be available for September but it is hoped this may be raised to 58,000. The requisition on POL will be placed before the deadline.

FEA is making every effort to expedite this material to ship side and the Department will assist where possible in view of the extreme importance of supply situation.

The Department further informs us that they have had an informal indication that both the British and Canadians are willing to participate through CIAC in agreed interim supply program provided agreement can be reached on sharing financial burden. The United States proposed on August 10 to the British and Canadians that Canada assume 6%, the British 21% and the United States 73% of the financial losses on the interim program.

G. Offie
Deputy, U. S.
Political Adviser

cc: Chief of Staff
Deputy Chief of Staff
Assistant Chief of Staff, G-5

RB Dist:
Col. Densmore

SEE F 56

1651

4404
COPY

FOR ACTION AGWAR FOR CCS FOR CCAC FOR CLAC RPTD UK BASE SECTION (LONDON)
FOR CABINET SECRETARIAT RPTD AFHQ FHGEG

4302

27 August '45

PRIORITY

UNCLASSIFIED PD

THIS IS MOC 281

PROVISION OF CIVIL SUPPLIES FOR LAST QUARTER 1945.

1. No reply received to MOC 226 and no official advice received of expected September loadings ex US.
2. Cleveland progress report No. 4 of 30 July, Part 1, para 3, indicated September shipments ex US will be arranged in US and that no call forward action required of ALCOM. Request this be confirmed, as it is imperative that receipt supplies not be prejudiced as result of procedural negotiations.
3. AFHQ has allocated 360000 tons of port acceptance for Oct. civil supply receipts, excluding coal and POL. Coal Oct. port acceptance is 403000 tons.
4. Reference Part 4 of report cited in para 2. above. Request advise urgently of number September sailings and breakdown of cargo ex general categories.

cc: Transportation S/C
Commerce S/C Coal Sec.
Economic Section
Requisition Branch

F. (M)

549

H. C. QUARTIER
Lt. Col., QMC

NICHOLAS PIOMBINO
CWO, USA

(CART AMBROSE)

SH PMT

1053 54
31/8

4404
RESTRICTED

FX 38300
AUG 241520B

F/5391
AUG 261530B
ROUTINE

From: SIGNED ALEXANDER CITE FHGEG

To: ALL LAC ADDRESSEES. ALCOM ROME FOR INFO

AUG 21 1945

RESTRICTED

This is LAC 1294

n/r
MA ANKARA advises that UKCC confirms that position as stated LAC 1271 on oil seeds held Turkish stockpile remains the same. Most unlikely that licence to export will be granted. USCC have asked permission from their Govt to sell. UKCC propose doing likewise.

Request civilian agencies be given allocation for equivalent amount fats after termination military responsibility to offset resulting shortage due to this non availability oil seeds ex TURKEY.

Dist

Info-Action - Reg Div 3
Info - Chief Commissioner
Exec Commr 2
File 2
Fleat

RESTRICTED

HEADQUARTERS
AUG 24 1945
1643
27/8

19.
(COSTA RICA) (an)

785017

SECRET

FX 26038

JULY 21 12373

JUL 22 1945

F/701
JULY 22 1000

PRIORITY

FROM: SIGNED ALEXANDER CITY PHONO

TO: AML MAT ADDRESSING INFO ALCON RO/13

SECRET.

This is MT 830. Refer TAM 629.

Termination of military responsibility for relief supplies in ITALY.

Agreed military responsibility for civil supplies for ITALY should terminate. Propose to phase out in accordance with program FX 11336, 03 June (which states US military commitments for procurement terminates with August loadings (September arrivals). Consider 1 September is appropriate date towards which plans here have been working pending establishment of CCS policy. This assumes that August loadings will arrive prior to end of September. Present supply accounts would be closed as soon as August loadings have been cleared thru them.

It must be repeated that the Italian economy is, and must remain for a considerable period largely dependent on imports of basic food and items essential for rehabilitation. The extent of the aid thought here to be necessary is known to you through our requisition of food supplies and the industrial program (Category A and B) recently submitted.

Since it is assumed that FEA in US and some agency in UK will procure supplies for ITALY for September through December loadings, recommend that procedure here be that ALLIED COMMISSION submit all requirements direct to CLAC in COM/ROC series. New account 1648 would be opened for these supplies by AC.

SECRET

(CAPT HENOLDY)

See M/S
M 24/7

CONTINUED FROM PAGE 2

In order to insure smooth transitional period of supply or arrivals period 1 October to end of year, it must be assured that;

A. There will be an uninterrupted flow of food, essential raw materials and coal.

B. The theater be advised of all items to be shipped from the ZI after August loadings.

C. Theater surpluses are applied against existent approved requisitions and future programs submitted by ALLIED COMMISSION. Recommend this be done in ZI by screening the program against declared surpluses.

DIST

INFO-ACTION - ECON SEC 2

INFO - CHIEF COMMISSIONER

EXEC COMMISSIONER 2

REQ DIV

FINANCE SC

FOOD SC 2

TN SC 2

COAL DIV

COMMERCE SC

FILE 2

FLOAT

Copy to file 4412/EC

Essential Italian Reports.

1647

SECRET



Ministry of Foreign Affairs

1003

6/2000/918

JUL 7 1945

MEMORANDUM FOR THE ALLIED COMMISSION

Subject: Italian Import from Argentina.

1. As the Allied Commission are aware, negotiations are now being carried out between the Italian and the Argentine Governments concerning the importation into Italy of 3000 monthly tons of meat or fats congested by successive Italian exports or paid for with the funds formed by the sale of the Italian ships to the Argentine Government.

Till now however it has not been possible to conclude the afore said negotiations owing to the difficulty of finding the necessary ships for the transport of the goods inasmuch as Argentine does not dispose of sufficient tonnage.

2. A similar problem is connected with the transport of the 100000 tons of wheat given by the Argentine Government to the Italian nation.

The Ministry for Foreign Affairs had already interposed the Allied Commission in these two problems with Memos of March 14th. and May 4th. copy of which is herewith enclosed.

3. As the Italian Government have now been informed that in order to obtain the assignment of the necessary shipping for the needs of the country they must apply, through the Allied Commission, to the combined shipping board, the Mini-

MEMORANDUM FOR THE ALLIED COMMISSION

Subject: Italian Import from Argentina.

1. As the Allied Commission are aware, negotiations are now being carried out between the Italian and the Argentine Governments concerning the importation into Italy of 3000 monthly tons of meat or fats compensated by successive Italian exports or paid for with the funds formed by the sale of the Italian ships to the Argentine Government.

Still now however it has not been possible to conclude the afore said negotiations owing to the difficulty of finding the necessary ships for the transport of the goods inasmuch as Argentine does not dispose of sufficient tonnage.

2. A similar problem is connected with the transport of the 100000 tons of wheat given by the Argentine Government to the Italian nation.

The Ministry for Foreign Affairs had already intimated the Allied Commission in these two problems with memos of March 14th. and May 4th. copy of which is herewith enclosed.

3. As the Italian Government have now been informed that in order to obtain the assignment of the necessary shipping for the needs of the country they must apply, through the Allied Commission, to the Combined Shipping Board, the Ministry for Foreign Affairs warmly request the Allied Commission to kindly interest the afore said Agency in granting as soon as possible a sufficient number of vessels for the transport of the products from Argentina to Italy.

Rome, July, 2nd, 1945

(ORIGINAL PASSED TO ECON SEC)

July 4/5

(Copy Retained)

4404

COPY
CONFIDENTIAL

JUN 21 1945

ALLIED FORCE HEADQUARTERS
G-5 Section
APO 512

Ref. I-11

4 June 1945

SUBJECT: Importation into Italy from Mediterranean Areas
under British Administration

TO : Headquarters, Allied Commission, APO 394
(Attn: Economic Section)

1. Your letter AC/5127/A/Commerce of 31 May requested this section to comment regarding the Allied Commission interpretation of TAM 565, which authorized direct negotiations for Italian imports with Mediterranean areas under British administration. There follow our observations, referring to your letter by paragraphs.

2. We agree your para 2 (a), however we are not in a position to advise you specifically as to what Mideast countries are included in the MESC. It is suggested that you refer this matter to MESC or to Troopers.

3. Reference your para 3. Category A items are those provisioned as a matter of military responsibility to prevent disease and unrest amongst the civilian population.

4. It is confirmed that the AC/Italian Government must furnish CCAC a monthly schedule of commercial imports by country of origin. It would be helpful if such a schedule indicated the AC/Italian government appraisal as to the category into which the import falls. Such a schedule would appear to obviate the necessity for exporting countries furnishing documents directly to Troopers.

5. It is suggested that the problem cited in your para 4 be referred by you to MESC.

6. This section is of the opinion that the channels of communication suggested in para 5 are satisfactory if they are acceptable to MESC.

For the Assistant Chief of Staff, G-5:

R.V. GRADY
Major, T.C.
Economics & Supply Division

CONFIDENTIAL

785017

4404

COPY

44-B

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

JUN 21 1945

BRG/ram

31 May 1945

Tel. : 245

Ref. : AC/5127/A/COMMERCE

SUBJECT : Importations into Italy from Mediterranean Areas
under British Administration.

TO : AFHQ G-5

1. Reference is made to your signal F-75402 dated 15 May in which you give us paraphrase of TAM 565 received in reply to MAT 618.

2. It is thought advisable to get out our interpretation of this message as follows:

(a) The message refers exclusively to Mediterranean Areas under British Administration.

(b) Such areas under British Administration may at the same time be under control of MEAC. For the sake of clarity we set out in Appendix "A" our understanding as to the categories into which fall the various areas affected.

3. The reference to Category "A" items in your signal F-75402 is understood to refer to such items as are imported under the 'disease and unrest' formula. It is presumed that the British Administration of the Supplying area will be responsible for providing to the United Kingdom the documentation necessary to ensure that goods so imported into Italy are considered as United Kingdom contribution to combined responsibility for importing civil supplies into Italy. Any transactions carried out in accordance with the present procedure will be on the basis of British Administration/Italian Government with this Headquarters acting as intermediary. This, in accordance with existing policies of Government to Government trade. All such imports made by the Italian Government will be in diminution of requisitions of CCAC and will be reported monthly to Washington by AC under two headings namely Category "A" requirements and Category "B" requirements. On the basis of the Government to Government policy of trade all such imports would be consigned to I.C.E.

1643

(SEE M 44)

442

4. With regard to Mediterranean Areas under British Administration which form part of the MESC control it is presumed that the administration of the area concerned will be responsible for obtaining clearance on all matters where necessary through MESC. It is presumed that in such cases negotiations will be carried out between Italian Government and the British Administration concerned through the intermediary of this Headquarters once approval of MESC has been obtained.

5. With regard to the question of obtaining clearance from the Combined Board on matters concerning those areas which do not come under MESC control it is proposed that this Headquarters should do this direct with Washington in the COM/MOC series. With all areas included in this directive the channel of communication will be AC/British Administration of the territory, copies to AFHQ G-5 and to MESC where necessary.

6. May we have your confirmation that you are in agreement with all the above procedure.

For the Chief Commissioner:

(sgd) L.B. McKinley

L.B. McKINLEY
Brigadier General, U.S.A.
Deputy Vice-President
Economic Section

CC: Economic Section
Finance Sub-Commission

A P P E N D I X "A"

<u>British Administration</u>	<u>NESC</u>
Soudan	Yes
Eritrea	Yes
Aden	Yes
Trans Jordanias	Yes
Cyprus	Yes
Tripolitania	No
Malta	No
Gibraltar	No
Dodecanese Islands	No

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

ERG/ran

Tel. : 245

13 June 1945

Ref. : AC/5203/IMP/COMMERCE

JUN 14 1945

SUBJECT: Importation into Italy from Mediterranean
Areas under British Administration

TO : Ministry of Industry, Commerce and Labor.

1. A directive has recently been received by this Headquarters from Washington, which authorizes imports into Italy from Mediterranean areas which are under British administration.

2. This will enable negotiations to proceed with such territories as Tripolitania, Eritrea, Malta, etc.

3. There are certain points, in connection with procedure, to be observed:

- (a) For the present, at least, all transactions will have to be negotiated through this Headquarters.
- (b) The usual restrictions regarding Category "A" commodities will have to be observed. This Headquarters will obtain the necessary clearances from Washington.
- (c) All goods imported from the areas in question will come consigned to I. C. E.
- (d) I. C. E. must supply to this Headquarters at the end of each month, a schedule of the goods imported commercially, indicating:
 - (i) The detailed quantities
 - (ii) The country of origin
 - (iii) The Italian Government's opinion as to whether the goods can be considered as essential for the prevention of disease and unrest among the civilian population.

(CAPT Arnold)

1641 MH 1945
see 4-3-45

39

4. It is perhaps as well to point out that certain of the countries covered by the present directive are under the control of the Middle East Supply Centre (MESC), and it will be necessary in such cases to obtain clearance from them. This will be done, however, by this Headquarters.

5. In accordance with the policy indicated to you in our letter Ref. AC/5127/A/COMMERCE dated 28 May 1945, imports made from any of these areas will be in diminution of similar goods already requisitioned on the Combined Civil Affairs Committee.

32

(sgd) E. B. McKinley

E. B. MCKINLEY
Brigadier General, U.S.A.
Acting Vice-President
Economic Section

CC: Executive Commissioner
Economic Section (2)
Food S/C
Industry S/C
Finance S/C
U. S. Embassy
H. B. M. Embassy
AFHQ G-5
Ministry of Treasury
Ministero Affari Esteri
I. C. E.

1643

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

H.H.O.H.

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

HHD/ram

Tel. : 245

/ June 1945

Ref. : AG/5127/A/COMMERCE

SUBJECT: Italian Economic Mission to Switzerland

TO : Ministero degli Affari Esteri

JUN 5 1945

1. Reference is made to your letter dated 26 May regarding the above Mission.
2. Attached, is a copy of a letter written today to the Ministry of Industry, Commerce and Labor on the subject of "Imports into Italy from Additional Countries". From this it will be seen that instructions have been received from Washington which authorize the resumption of trade between Italy and Switzerland subject to certain restrictions.
3. In the light of the instructions contained in the attached letter it is agreed that the Economic Mission should go to Switzerland at the earliest convenient moment seeing that it will now have the authority to enable it to discuss on a definite basis such questions as credit arrangements, and reciprocal trading. In this connection, the opportunity is taken here of enclosing a detailed report which was prepared by Col. L. A. Jenny when he made a recent visit to Switzerland. The way has already been opened for definite discussions and some ground work already laid toward the financial concessions which will be essential.
4. It is requested that this Headquarters should be kept advised of the progress made.

P.M.

Attachment (1)
Letter to Ministry of
I. C. & L.

A. G. ANTOLINI
Acting Vice-Pres.
Economic Section
CC: Ministry of I.C. & L.
I.C.E.
Finance S/C
British Embassy - Rome
U. S. EMBASSY
AFHQ G-5
Economic Section
Executive Commissioner's Office

1633

9/6

(CAP. ARNOLD)

M 38

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

HEADQUARTERS ALLIED COMMISSION

ERG/ram

APO 394

ECONOMIC SECTION

/ June 1945

Tel. : 245

Ref. : AC/5127/A/COMMERCE

SUBJECT: Imports into Italy from Additional Countries

TO : Ministry of Industry, Commerce & Labor

1. A directive has been received from the Combined Civil Affairs Committee (CCAC) which states that, in general, CCAC is in favor of the Italian Government seeking to import goods from third countries and has no objection to direct negotiations taking place, between Italy and neutral governments or other countries, subject to the following procedure.

2. With regard to commodities on the reserved commodity list, overall control must be maintained by the Combined Boards. A copy of the reserved commodity list was submitted to you as appendices A (1), A (2), A (3) and A (4) with Mr. Antolini's letter of 18 April to Minister Gronchi. Italian Government requirements for any commodities appearing on this list will have to be submitted to the Combined Boards, indicating preference as to source of supply. For the present, such submissions will have to be made through this Headquarters, who will present the requests to the Combined Boards, through the Combined Liberated Area Committees (CLAC).

3. The Italian Government may deal directly with other Governments for all items not on the reserved commodity lists but it is requested that Headquarters Allied Commission be kept informed of negotiations.

4. When making purchases, the Italian Government should observe:

- (a) The British Statutory List and
- (b) The U. S. Proclaimed List of Certain Blocked Nationals.

These two lists contain the names of persons, firms, corporations, etc., with whom it is forbidden to trade. Both lists are in the possession of H. E. Marcello Soleri, Minister of the Treasury and it is understood that legislative steps are already being taken by the Italian Government to adopt them.

5. Shipping facilities will have to be obtained through the combined shipping authorities, except in the case of imports from countries which are not in the Allied Pool, as, for example, Portugal, Spain and Turkey.

6. The remainder of the subject directive deals with the question of finance. Its contents have been conveyed to the Minister of the Treasury and are repeated below, for your guidance. In certain instances, you will observe, the approval of this Headquarters is needed before action can be taken and it is here stressed that any such requests for action should be passed through your Ministry of Treasury to Finance Sub-Commission of this Headquarters.

- (a) The responsibility for authorizing the use of Italian assets abroad to finance approved imports is delegated to the Allied Commission.
- (b) The Italian Government is primarily responsible for determining for what purpose its assets will be used.
- (c) Particular reference is made to the case of Argentina and the proceeds from the sale of Italian ships. We are informed that we shall be receiving a separate communication regarding the unblocking of these funds.
- (d) With particular reference to Spain it is stated that the Italian Government should make whatever arrangements it wishes. Reference is also made to the Spanish Civil War Debt which presumably will make credits available, and it is urged that the Italian Government do all it can to come to terms with the Spanish Government.
- (e) In cases where the Italian Government has no credit balance in the supplying country, there would be no objection to a credit arrangement being worked out, or a memorandum account procedure being set up. In the event of a memorandum account being arranged, the principles established for trade between Italy and France should be observed.
- (f) In principle, post liberation dollars may be used to pay for essential imports into Italy from other countries, if such imports cannot otherwise be financed. For the time being, however, the United States Government wishes to consider individual transfers of dollars, on their merits. In each case a United States

1638

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

Treasury license will be necessary. It is of course, understood that when deciding whether to use dollars for purchases from a third country the Italian Government will have to consider very carefully its need for the particular commodities involved and, at the same time, its other requirements for dollars, such as products which it requires and which could otherwise be bought in the United States with those dollars. It should here be pointed out that sterling post liberation accounts will not be available for purchases outside the sterling area.

- (g) By sterling area is meant the British Commonwealth Nations and such other colonies or protectorates which come within the direct or indirect scope of British Administration. H. E. Marcello Soleri, Minister of the Treasury, has a list of all places coming within the sterling area and it is suggested that reference should be made to him for further details.

7. Consideration of the above information will show that action can be taken with many inquiries which have been held up for lack of instructions. Inquiries for example, have already emanated from the Argentine, Spain, Switzerland, Roumania, Portugal, Turkey, Iran, Egypt and Palestine and it is desired that the Italian Government take steps to conclude arrangements on all outstanding inquiries from these countries, without further reference to this Headquarters except as required by the terms of this letter.

CC: Ministero degli Affari
Esteri
I.C.E.
Economic Section
Executive Commissioner's Office
Finance S/C
British Embassy
American Embassy
Minister of Treasury

A. G. ANTONINI
Acting Vice-Pres.
Economic Section

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

4404

32

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

ERG/ram

Tel. : 245 28 May 1945
Ref. : AC/5127/A/COMMERCE
SUBJECT: Utilization of Trade Resources.
TO : Ministry of Industry, Commerce & Labor.

1. In the light of shipping difficulties and the continued demands upon the resources of the United Nations it is essential that, prior to importation of supplies from Allied sources, the possibility of obtaining supplies through trade channels, by the Italian Government, must be exhausted before requisitions for essential civilian supplies will be considered by AFHQ.^{AC}

2. In certain instances the urgency of the requirements may prevent the necessary inquiries from being made. In such instances, therefore, requisitions may be put forward, but the acceptance of such requisitions by Washington will not abrogate the responsibility of the Italian Government for arranging imports of the materials in question, through trade channels, if the possibility subsequently arises.

3. In such cases the imports so arranged will be utilized to reduce the outstanding requisitions. It will be the responsibility of the Italian Government to keep detailed records of all imports made through trade channels and to notify this Headquarters, or such other agency as may subsequently be advised to them, each month, the total imports so effected.

CC: ICE
ECONOMIC SECTION
FINANCE S/C
AGRICULTURE S/C
FOOD S/C
INDUSTRY S/C
PW & U S/C
TRANSPORTATION S/C
REQUISITION BRANCH
EXECUTIVE COMMISSIONER'S OFFICE
AFHQ G-5

A. G. ANTOLINI
Acting Vice-Pres.
Economic Section

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3/6

(CARP ARNOLDY) (PW)

4404

31

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

Tel: 460

Ref: ES/20.05

14 May 1945

MAY 15 REC'D

SUBJECT: Importing of Food-Stuffs from Argentina

TO : Executive Commissioner
Att: Maj. L. W. Stearns

1. Reference your 4404/28/EC of 10 May 1945,
asking for status of above matter.

2. The reply to Soc. Import Y Export Eledebra,
Buenos Ayres, was signed by Brig. Gen. McKinley on
10 May and dispatched that date, copy to your office.

Charles W. Walton

Charles W. Walton

Colonel

Deputy Chief, Supply Div.

Economic Section

1 Incl.
Ltr. 10 May

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HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

CBH/cag

10 May 1945

ES/20.05

SUBJECT: Importing of Food-stuffs from Argentina.

TO : Dr. Franco Vincenti
Soc. Import. y Export. Elejandra of Buenos Ayres
Via Emilio De' Cavalieri 12
BORA

(24)

1. Reference is made to your letter of 7th April addressed to the Allied Commission, with enclosures.

2. Please be advised that there is at present no authority for the importation into Italy of food-stuffs from Argentina.

3. Such authority has been requested; when and if granted, please be assured that action will be taken on your request as soon as possible and that you will be notified thereof.

(sgd) E B. McKinley

E. B. MCKINLEY
Brigadier General, U.S.A.
Acting Vice-President
Economic Section

copy to-
Executive Commissioner ✓
(your 4404/27/EC of 19 April refers)

(25)

11 14/5

4430
1652

(CARP ARNOLD)

Tel Ext 341

LWS/el

28

Ref: 4404/28/EC

10 May 1945

SUBJECT: Tracer regarding importing of foodstuffs from Argentina
TO : Economic Section

Reference our letter, file 4404/27/EC, dated 19 April,
subject "Importing of Foodstuffs from Argentina."

Will you please inform this office as to what action is being
taken in regard to the matter? It is understood that Commerce Subcom-
mission was to prepare a reply to the firm concerned.

MAJOR L. W. STARRS
Chief Staff Officer
To Executive Commissioner

per 31

BU

per 29

14 May
Noted

1633

Tel. 451

Ref. 1404/27/EC.

19 April 1945

SUBJECT: Importing of Food Stuffs from Argentina.

TO : Economic Section.

1. The attached series of correspondence from the Soc. Import. Y Export Eldebra, Buenos Ayres received from the Office of the Chief Commissioner is forwarded to you for special attention of your Commerce Sub Commission.

2. Please inform this office regarding the appropriate action being taken regarding this trade proposal.

jcfr
Chief Staff Officer,
To Executive Commissioner.

Blud 2/4
-Noted jr. *see 28.* *Heur*

Encl.: letter from Soc. Import. Y Export Eldebra dated 27 June 1944
" " " " " " " " 20 Jan. 1945 (with translation)
" " Azienda Servizi Annunari " 21 Jan. 1945
" " Soc. Import. Y Export Eldebra " 31 Jan. 1945 (with translation)
" " " " " " " " 7 April 1945 (with translation).

see M 26927-21830
FA *20/4*

785017

TRANSLATION

SOC. IMPORT. Y EXPORT ELEDEBRA
BUENOS AYRES
PROC.DOTT. FRANCO VINCENTI
Roma - Via Emilio De'Cavalieri 12-Tel.849317

Roma 11 7 April 1945

APR 19 REC'D

AL COMANDO ALLEATO
R O M A

The undersigned, Dr. Franco VINCENTI, residing in Rome, Via Emilio de'Cavalieri No. 12, Teleph. 894.317, procurator of Company "Eledebra" Import & Export, Buenos Ayres, following the applications previously forwarded to AC on 20 and 31 January inst., hereby applies for the "Navicert" for five ships to be employed in importing foodstuffs of urgent and absolute necessity from Argentina, as listed in the offer to "Azienda Servizi Annonari", Rome, dated June 27th, 1944.

In case the requests and the enclosed documents previously forwarded to AC should have been lost, copies of the same are hereby enclosed.

The undersigned insists in his request to AC, considering the scarce improvement in the food situation of the Italian people since the times of Allied liberation of Rome; and because the granting of the "Navicert" for the shipment of Argentine goods, effected by Argentine ships, would considerably ease the task and burden of the Allies in the field of transportation and food supplies for liberated countries.

Furthermore, in view of the fact that Argentina, too, is at war with Germany, we are confident that Allied Authorities will grant the abovesaid permission, thus showing understanding for the serious present condition of the Italian people.

Kind regards

p. Soc. Import. & Export. "Eledebra"
(Il Procuratore Dr. Franco VINCENTI)

/S/ Franco Vincenti

1631

Translation

enclosure n. 2

illegible

copy

January 31st, 1945

APR 19 Rec'd

To the Allied Command

Reference to his previous request on the 20th of this month, sent to this Command, the undersigned states that the sending and shipping of the Argentine goods would be done by Argentine merchant ships; the due freight would be paid for these ships, and therefore, this operation and the following ones could in no way involve possible questions of restitution, ransom, and shipping requests between the Italian Government and the Argentine one, or other Governments, considering that this transaction has a purely commercial and private character though it will be on a large scale if it takes place; of course, with the necessary agreement, and with the indispensable support of the Authorities of the Governments concerned.

The Consul of Argentine has been informed of the content of this letter as well as of the request sent to you; a favourable solution to our requests which today more than ever need to be granted by you, would greatly please him.

Gen. LEO. FORT Y LEO. FORT RIVERA

(Dr. Franco Vincenti)

e.o.

See 24

1633

Translation

enclosure n. 1

44004. J.S.

COPY

SGS IMPORT Y EXPORT ALDEBRA
BUENOS AIRES

Roma, 20 January 1945

APR 19 REC'D

PROG. DOTT. FRANCO VINCENTI

VIA EMILIO BOCCAVALLERI 12

To the Allied Command

In reference to the offer of June 27th 1944, made by the Direction of the Azienda Servizi Annuari of Rome, for the purchase in Argentine of foodstuffs essentially required for the feeding of the Rome population, we take the liberty of asking the Allied Command for the Navycert for n. 5 steamers of Argentine nationality, for the transport of the foodstuffs mentioned in our above-mentioned offer.

We point out that all the operations concerning this transport will be performed by the Argentine and Italian authorities exclusively; for this reason, there will be neither disturbance, nor expenses, nor pledge of an economic character for the Allied authorities.

for. Soc. Import y Export Aldebra

(Il procuratore Dr. Franco Vincenti)

S.C.

See (24)

1623

Declassified E.O. 12356 Section 3.3/NND

No.

785017

4404
Ministry of Production,
2, Central Buildings,
Matthe Parker Street,
London, S.W.1.

30th March, 1945.

APR - 9 1945

Dear Lush,

You will be interested in this note of a meeting we had with Henn some days ago and also in the covering letter with which I sent Henn a copy of the minutes.

From what I have heard since, I gather that I was a bit premature in my assumption that the A.C. officers had already left for Washington, but I hope that they will be going very soon.

Yours sincerely,

pp D.B. Harden.

Brigadier M.S. Lush,
Chief of Staff,
Allied Commission,
Rome.

(Enclosed Return)

see M. 1628

PA 1628

Brig. Lush

Ministry of Production,
2, Central Buildings,
Matth. Parker Street,
London, S.W.1.

28th March, 1945.

Dear Henn,

I hope you had a successful and uneventful journey back, and that you did not feel that your trip from the official standpoint was a wasted one. I fear that from the point of view of future supplies, the story we had to tell you was not an exhilarating one; but that was not for want of goodwill towards you.

I enclose with this, two copies of the minutes of the meeting we had with you on Monday the 19th, as you will probably like to have them for reference. I am sending a copy of this letter and of the minutes also to Brigadier Lush in Rome.

When we were speaking to you on the day before you left, we mentioned once more that we were anxious to discuss with Major Cent various problems concerning export trade from Italy. Since you left we have discovered that a cable was received from the Allied Commission as long ago as the 1st March, saying that they proposed not to send Major Cent to London until his visit should coincide with the return, via London from Washington, of the A.C. Officers who were travelling in connexion with the new programmes for Italy. If, as I assume, those Officers have left already for Washington, we ought I think to fall in with this idea of the Allied Commission's and let their discussions in London coincide with Major Cent's visit. One can hope that this could happen during the second half of April. Meanwhile, we have sent our preliminary views on future export procedure to Italy and to Washington, and will hope to have their comments upon them so that all can be considered together during the

/discussions

Brigadier T.R. Henn,
G.S.,
A.F.H.Q.,
Caserta.

discussions I refer to. Some of these comments are in FAT 46, of which we gave you a copy of the draft, and others are in a cable which has been cleared by all civilian departments and is now under consideration by the War Office prior to dispatch.

I also attach, as it may be of interest to you, an earlier cable No. 49 Saving, which we sent to Washington in January about admission of commercial representatives into Italy. It was repeated to Caserta as Saving No. 33.

Yours sincerely,

D. B. HARDEN

SUPPLIES TO LIBERATED AREASCONFIDENTIALS.L.A.O. (R.)
ID (45)4NOTE OF INTEREST AND DISCUSSIONDate: Monday, 19th March, 1945.Present:

Mr. D.B. Marten (in the Chair), S.L.A.O. Secretariat
 Mr. A.H. Lincoln, Foreign Office.
 Mr. A.D.M. Ross, Foreign Office.
 Mr. M.F. Cullis, Foreign Office.
 Brigadier T.R. Henn, A.F.H.Q.
 Lt.-Colonel H.C. Ellis, War Office.
 Miss L.S. Sutherland, Board of Trade
 Mr. A.B. Welch, Board of Trade
 Mrs. P.B. James, Board of Trade
 Mr. E.W. Playfair, Treasury
 Mr. Mark Turner, L.A.B.
 Mr. J.K. Ogilvy-Webb, Ministry of War Transport
 Miss C. Waterlow, Ministry of War Transport
 Mr. R.P. Kahn, Ministry of Production
 Miss S.D. Wingate, S.L.A.O. Secretariat

Subject: To discuss with Brigadier Henn, problems of Mediterranean trade, and supplies for liberated and conquered territories.

THE CHAIRMAN said that some days previously there had been a meeting at the War Office between Brigadier Henn and representatives of the Ministry of Production and the Board of Trade, at which the Brigadier had asked numerous questions on a variety of topics which those present on that occasion had not been able to answer fully. He had therefore felt it would be helpful both to Departments here and to Brigadier Henn if a larger meeting could be arranged in order that the subjects could be discussed more fully and more authoritatively. The major points on which Brigadier Henn hoped to have some discussion could be grouped under the following heads:

1. Various questions relating to Italian rehabilitation.
2. General problems of trade within the Mediterranean, including the possibility of the return of at least some shipping to the national authorities from the U.S./U.K. pool.
3. The problem of feeding the U.S./U.K. zones in Austria upon occupation including some discussion of the possibilities of interzonal transfers within Austria and that of getting supplies overland from Hungary and/or Rumania.

THE CHAIRMAN said that he hoped Brigadier Henn would put detailed questions to the meeting on the points on which he needed elucidation.

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THE CHAIRMAN said that he hoped Brigadier Henn would put detailed questions to the meeting on the points on which he needed elucidation.

Brigadier Henn said that the main problems in the theatre were shipping and the need for consumer goods to stabilize the currency. He was anxious to know our shipping intentions for the rest of the year, and (as regards Italy in particular) what chance there was of goods being made available against Programme B. It was pointed out in reply that shipping might be available on a larger scale during the few months immediately after VE Day than either before or after that period, and A.F.H.Q. should put themselves into a position to call forward everything possible with that in view, especially wheat. Lt. Colonel Ellis said that the War Office had tried to get from A.F.H.Q. an emergency plan to take advantage of the easier shipping conditions immediately after VE Day, but A.F.H.Q. was keeping down its demands, owing to difficulties about labour for handling. Brigadier Henn agreed to do what

he could at the theatre end to clear this up, and said he would also look into the possibilities of obtaining increased storage facilities.

On the question of Programme B, Mr. Welch said that the goods involved could not be supplied on credit, and therefore Italy's export capacity would be very relevant. This in turn would depend on the amount of seaborne carried out by the Germans before they left North Italy. Mr. Kahn said he thought it should be pointed out that the importance of inducement goods should not be overstressed, because the amounts were likely to be small, and the effect of limited quantities on the Black Market ~~was~~ ^{was likely to be} over-estimated. The Chairman said that he had been surprised to see clothing included in Programme B instead of in Programme A as our understanding had been that the money available for Programme B was to be expended on agricultural and industrial rehabilitation and may be on raw materials, but not on finished consumer goods. It was also emphasized that every effort should be made to restore the Italian industrial textile capacity, because, while some raw materials could be made available, it was unlikely that finished clothing or boots would be available in great quantities whatever programme they were included in.

On the question of Mediterranean shipping, Mr. Orliv-Webb said that the Ministry of War Transport were planning to send ~~substantial quantities of~~ ^{two or three} ships to Rumania during the next few months, and there would also be U.S. ships available in the Central Mediterranean area. These could be used on the return journey for Intra-Mediterranean trade. It was pointed out that we should have to be notified of specific transactions, such as the purchase of Yugoslav timber by Italy, in order to adjust our own allocations. Items on the Reserved Commodity List, moreover, would, of course, have to be notified to Washington. As regards the release of tonnage belonging to the Mediterranean countries, Mr. Orliv-Webb said that Ministry of War Transport had no objection in principle to releasing small vessels for coastal traffic, provided that we kept general control of them.

Austrian Supplies. Brickdier Horn said that he understood that the British element of the Control Commission were assuring that the Russians would allow in-ex-zonal transfers within Austria. He was anxious to know what were the prospects of obtaining supplies from Hungary and Rumania up the Danube, and also of transfers to the British and U.S. zones from the Russian zone. Mr. Lincoln said that the whole question of Eastern European surpluses being made available to Central and Western Europe had been raised after the Malta Conference in a letter from Mr. Eber to Mr. Stettinius and Mr. Molotov. Julio Roscan had also shown a great interest in this idea, and it was proposed to send a Mission to Moscow to discuss it; but it was not felt that this could usefully be done until the Reparations Mission had got to work. Brickdier Horn said that, of the Adriatic Ports, Trieste alone would be available for relief supplies for some months, and that only to a limited extent. The Salonica route could be opened when two bridges had been repaired.

As regards programmes for Austria, A.F.H.C. had put in a block programme, which was now being adjusted after discussions with Mr. Berthoud. Mr. Kahn said that, so far as he could see, the only feasible procedure, at least until the different zones had been definitely fixed, was a demand by the

Programme B instead of in Programme A as our understanding has been that the money available for Programme B was to be expended on agricultural and industrial rehabilitation and may be on raw materials, but not on finished consumer goods. It was also emphasized that every effort should be made to restore the Italian industrial textile capacity, because, while some raw materials could be made available, it was unlikely that finished clothing or boots would be available in great quantities whatever programme they were included in.

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Mr. Turner said that he very much doubted whether any Hungarian surpluses would be available for Austria, after the reparations demands of Russia, Yugoslavia, and Czechoslovakia had been fulfilled. It was doubtful also whether for transport reasons any surpluses would be available from Rumania for Austria. He raised the questions of the clearing of the Danube for international traffic. Miss Waterman said that the ~~question had been asked for British mine sweepers, and we had asked in return for representation on the Danube Commission.~~ If, however, the Rumanian surpluses could not be moved via the Danube, M.W.F. was prepared to lay on ships for the purpose but this would only be useful when Adriatic ports were available.

Danube was not yet navigable, partly because we had not yet agreed to supply British mine-sweepers for a bid the Russians had asked. If however the Rumanian surpluses could not be moved via the Danube, M.W.F. was prepared to lay on ships for the purpose.

(16)

In conclusion, Brigadier Henn said that it appeared that there was very little that he could do about supplies for Austria, apart from the possibility of some Rumanian surpluses, the maximum use of any extra shipping capacity immediately after V-E Day, and the handing back of coasters for Italian trade by Ministry of War Transport. Miss Waterlow said that Sir John Fisher was going out to the Mediterranean in the near future to discuss the control of Mediterranean shipping under the U.M.A. agreement, and A.F.H.Q. would, of course, be notified of his arrival. The Chairman said that S.L.A. would draft a cable to the British Mission in Hungary, asking for information regarding available surpluses for Austria.

ES/13.03

31 March 1945.

SUBJECT : Imports to Italy from Switzerland.

TO : AFHQ, G-5.

1. The Interministerial Committee for Reconstruction of the Italian Government has been gathering information on the above subject. It is of the opinion that considerable food, medicines, and machinery urgently needed by the Italian people can be obtained from Switzerland at an early date.
2. Mr. Francesco La Francesca has recently been appointed Commercial Attache to the Italian Legation in Berne, Switzerland. The Committee has requested that authority be granted to Mr. La Francesca to proceed to Berne immediately so that he may conduct negotiations to obtain the desired imports from Switzerland.
3. It is recommended that the requested authority be granted.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner.

APPROVED:

A.G. ANTOLINI
Acting Vice President
Economic Section

ACTION COPY ON FILE 4805/EC

1625

4404

(14)

COPY

SECRET

Via P.O. & Brit Emb.
Three D
Summary

FROM : London

TO : Rome

DATE : 22nd February 1945.

MAR 8 1945

No. 101. In addition to the 1500 lorries asked for by MACMILLAN, THE ALLIED AUTHORITIES CONCERNED HAVE ASSIGNED TO ITALY the 500 lorries asked for by me.

The total therefore is 2000 motor vehicles with a carrying capacity of 6000 tons. They are not new ones. Their dispatch from the U.S.A. will be ---- during March.

Although intended for civil use, this assignment is being made on the basis of the so-called programme of military supplies and is therefore not subject to delay.

I am moreover informed that discussions are going on in ROME regarding purchases under programme B. i.e. material intended for Reconstruction, ---- not immediately put into effect. I am assured by the office concerned that it would not be useless if a general scheme of --- or of our needs were to be presented here meanwhile...According to what I have heard, an Italian Commission should come to LONDON about that programme.

CARANDINI

ACTION COPY ON 5820/EE

BA 8/1624

SECRET

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Executive Commissioner

Tel. 451

5 March 1945

Ref. 4404/33/EC

SUBJECT: Italian Foreign Trade.

TO : V.P., Economic Section.

1. Reference our 4404/33/EC of 2 Feb 45 and your reply 45/5.60 of 9 Feb.
2. We have transmitted the information supplied by you and have received an acknowledgment reply from the Ministry of Production extracts of which are quoted herewith for your information:

"We are extremely glad to hear that Economic Section are planning to resubmit their clothing requisition under category A in line with the new directive. We were afraid that it might reappear as category B owing to various indications we have had in cables, and it is most satisfactory to know that those fears were groundless. We have, as you may be aware, been pressing on Washington the point of view that clothing requests, if not put forward in Category A would stand very little chance of obtaining supplies owing to the much lower priority which the need would get if it were not sponsored by the military. This is, of course, entirely independent of the argument that if there ever were a supply which was required to prevent disease and unrest it surely is basic essential needs of clothing.

As regards the tonnage figure recently given for category B supplies, we quite appreciate that the figure was a shot in the dark, and we also see the point in your statement that the new directive will permit that certain supplies be diverted back from category B to category A. This latter point, I think, really explains the main fact that was worrying us, and that was that there were large figures for chemicals and coal in the breakdown given in MR 362. The inclusion of these two items seem to suggest to us that it was envisaged that category B would be used not only for the reconstruction of Italian industry, but also for the running of the reconstructed plants. That may be so in the event, but if that is to happen successfully, the category B funds would have to be increased considerably, whether by loan or in some other fashion, over and above the mere total of American troop pay. I mention these points more to explain the reason for our original questions than in a wish to pursue the argument at the moment any further. It will certainly get thrashed out in the near future in Washington, and if I say any more here it will merely begin to cross wires.

1623

- 2 -

R

Graham of the Ministry of Food, who is now back on a visit, was talking to us this morning about things in general, and he mentioned that there was some hope that Major Dent of the Commerce Section will be coming home in the very near future. We hope very much that this is so, as we have several points (with which I will not worry you now) which we are very anxious to discuss with him in regard to Italian foreign trade."

JGR
Chief Staff Officer,
To Executive Commissioner.

1621

785017

Ministry of Production,

Great George Street,

London, S.W.1.

21st February, 1945.

MAR 1 - 1945

Dear Lush,

I was very pleased to get your letter, reference 4404/25/COS, of the 13th February giving such useful replies to the questions we put to Shipp.

We are extremely glad to hear that Economic Section are planning to re-submit their clothing requisition under category A in line with the new directive. We were afraid that it might reappear as category B owing to various indications we have had in cables, and it is most satisfactory to know that those fears were groundless. We have, as you may be aware, been pressing on Washington the point of view that clothing requests, if not put forward in Category A would stand very little chance of obtaining supplies owing to the much lower priority which the need would get if it were not sponsored by the military. This is, of course, entirely independent of the argument that if there ever were a supply which was required to prevent disease and unrest it surely is basic essential needs of clothing.

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Brigadier M.S. Lush,
Chief of Staff,
Allied Commission,
Rome.

See 13 / but 1622

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I don't know whether your last paragraph means that there is a chance of seeing you yourself in this country in the near future. I very much hope there is. If it meant the other thing, namely a visit by me to Italy, I see no chance of that in the near future; in fact Miss McCleary claims to be the next on the list.

I wrote to you the other day about personnel, and am looking forward to getting your replies to my questions.

Kind regards,

Yours sincerely,

SB. Harden

10

JEB, 414
P/A

Ref: 5010/107/009.

13 February 1945.

Dear

In a letter from my Chief Staff Officer, Colonel SHIFF, he told me that you raised the question of the Sardinian coal mines and that you would like to know if you could be of assistance in any direction. Economic Section tell me that the chief way in which London might be able to help at this stage would be to speed up deliveries of coal mining supplies. They say that the deliveries of all our requisitions, especially those allocated to be supplied from the U.K., have been extremely slow.

Colonel SHIFF also added that you said you would like to have a report on the general Sardinian coal situation as soon as possible. The Commission have always kept G-5 AFHQ fully informed of the developments in the coal mines, and these reports have presumably been handed on to you. If, however, these reports are not sufficient for your purpose we will, of course, comply with your request.

I hope you are flourishing.

Yours

M. S. LUSH

R. J. STAFFORD Esq.,
Civil Affairs Section,
War Office,
LONDON.

Copy to: 4404/009.

1624

(9)

Ref: HQ/25/COS.

13 February 1945.

Dear

I had a letter from my Chief Staff Officer, Colonel SHIFF, in which he told me that you raised the question of clothing requisition for Southern Italy (LAC airgrams 7 and 32 refer). Economic Section say that they are planning to resubmit their clothing requisition in line with the definition of Category "A" supplies given in the new directive (TAM 437). They say that they now have available a much better programme than in the original LAC airgrams 7 and 32, and that this programme is to be sent to AFHQ in a few days.

Colonel SHIFF also told me that you raised the question of the tonnage figure for Category "B" supplies (MEG 362 refers). Economic Section say on this that "nobody knows better than us that they are simply a shot in the dark we were directed by AFHQ to produce a guess, and we produced a guess". Now that TAM 437 has been received, Economic Section say that the number of items originally included in Category "B" statement given to Mitchell and Morris will now be able to be included in Category "A".

I hope you are well and that I shall be seeing you again soon one day in the not too distant future.

Yours

M. S. LUSH

D.B. HARDEN Esq.,
Ministry of Production,
Great George Street,
LONDON, S.W.1.

1623
1945

4404
HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

HC:mew ⑦

Ref: ES/500

9 Feb 45

SUBJECT: Letter from your Chief Staff Officer

TO : COS

FEB 10 1945
⑥

1. Reference attached excerpt, dated 2 Feb 45 (4404/COS) from letter received from Col. Ship from London.

✓ 2. We are already planning to resubmit a clothing requisition, in line with the definition of Category "A" given in the new directive. We now have available a much better program than the original LAC diagrams 7 and 32. This program is to be sent to AFHQ in a few days.

✓ 3. Referring to the tonnage figures (MEG 362) for Category "B" supplies, there is nobody that knows better than we that they are simply a shot in the dark. We do not know why Troopers wanted the figures, but we were directed by AFHQ to produce a guess, and we produced a guess, at the same time stating that the figures were not to be taken too seriously. Naturally, now that the new directive has been received, a number of the items originally included in our Category "B" statement (the "Summary of Essential Italian Imports"), given to Mitchell and Marris, will now be able to be included in Category "A".

4. On Sardinian coal mines, the only way in which London might be able to help at this point will be to speed up deliveries on coal mining supplies. The deliveries on all of our requisitions, especially those allocated to be supplied from the U.K., have been extremely slow. We do not know what kind of "report on the general situation" Mr. Stopford wants; we have kept G-5 informed quite fully of developments on the Sardinian coal mines, and we assume that they in turn have kept London informed. Unless some more specific idea can be given, therefore, we are inclined not to produce a general report on the general coal mines as a result of this informal request.

5. The last para, dealing with a request by Col. Brazier, has been transmitted to the Food Sub-Commission for their information and appropriate action.

see file 33
9470
sa
Harlan Cleveland
HARLAN CLEVELAND
Executive Director
Economic Section

Incl.

Copies on files
5010/COS (part 4 reference)
4802/COS (part 5 reference)
1613

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

CONFIDENTIAL

Ref: 4404/cos

2 February 1945.

TO : DGOS, Economic Sec.

I am directed by the Chief of Staff to forward you (given below) extract from a letter he has received from his Chief Staff Officer who has recently been visiting the War Office in London:

"I saw Mr. Harden, whom you may remember. He came to Italy last October or November. He said that A.C. should re-submit their clothing requisition for Southern Italy which was first sent in May 1944. LAC Airgrams 7 and 52 refer. He said that Washington are ignoring the first one for Southern Italy and that the new requisition must be based on the category A standard of disease and unrest with no mention of anti-inflation.

Mr. Harden also wanted to know unofficially whether the figures put in by us in the GEN-REG series (REG 362 refers) for Category B civilian supplies were based on any papers to show how the figures were arrived at. Mr. Harden was of the opinion that the bulk of the tonnage put in should have come under category A, for example, 450,000 tons of chemicals, 293,000 tons of coal and 164,000 tons of miscellaneous processed goods.

Mr. Stopford has heard that the Sardinian coal production might be stepped up. He would like to know if there is any direction in which he can help. For instance, if any personnel were required he would try and produce them. I told him that as far as I know the main difficulty was lack of miners and that we were trying to produce them; he would, however, like a report on the general situation as soon as possible.

Colonel Brazier made on request. He would like from Colonel Legg a little more detail on the food distribution in calories, for instance, how many does the average man get from his rations, how much is it estimated that he buys in the black market, how much does he get from local produce, etc. This is required in order to answer possible Parliamentary questions. He also warned us that the Ministry of Food were proposing to send a representative to Italy in the shape of a Food Attache to the Embassy in Rome. He told me unofficially that C.A. were against it but the Foreign Office were pressing. I said that I ~~did~~ not see how this representative could do any harm."

Copy to: 5010/cos
4802/cos.

/JG.

1618

15/1. RUSSELL
PA to COS.

4404

COJ

EMS/afe

5

gcr
1/14/45

CC 4025

8 January 1945

JAN - 8 1945

Brigadier General Edgar E. Hume, GSC
SCAG, Fifth Army
APO 464

Dear General Hume:

Supplementing my letter of 5 January which commented on the reports of U.S. Consul Grebaugh, I note that he seems to feel that UNRRA has been responsible for civilian and relief supplies which have come into Italy. I should be grateful if you would inform him that UNRRA has not brought one pound of any sort of supplies into Italy or, in fact, anywhere in the Mediterranean Theatre.

Sincerely yours,

B/Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

cc: Chief of Staff
Colonel Densmore
CC Files

161

4404

EMS/dfe

(3)

ref

CC 4025

5 January 1945

JAN - 1945

Brigadier General Edgar E. Hume, GSC
SCAO, Fifth Army
APO 464

Dear General Hume:

to Colonel Densmore

Thank you for your letter of December 30th with enclosures. The proposal made by Mr. Crebaugh is not a new one and was considered by our Economic Section last Spring. Unfortunately, the great shortage in shipping tonnage, which has prevented our even establishing an adequate basic ration, does not permit the import at the moment of the particular consumer goods proposed by the Consul. However, if the shipping situation improves, we shall recommend to the Government consideration of a proposal such as he makes.

Thank you for forwarding me these reports.

Sincerely yours,

MILLY W. STONE
Rear Admiral, USNR
Chief Commissioner

cc: C of S
Colonel Densmore (with reports)

see Minute 20

1616

785017

Monday
20/11
at 11:00 hrs
4 Nov
(Date)

From: Antolini To:

☐	Vice-President
☒	Mr. Antolini
☐	Col. Densmore
☐	Col. Murphy
☐	Mr. Sullivan
☐	It. Atkins
☐	It. Col. Martino (Reg. Div)
☐	Mr. Bakken
☐	Mr. Cleveland
☐	Mr. Lehman
☐	Mr. Villa
☐	Sig. Garavaglia
☐	Chief Clerk

For:

☐	Appropriate Action
☐	Circulate & Initial
☐	Remarks/Recommendation
☐	Information
☐	See Me
☐	Noting & Return
☐	Signature
☐	File
☐	Suspend to:
☐	Clerical Staff

Remarks:

Big Fish
W.H. printed
for yesterday

4404

AND BRITISH SUPPLIES OF CIVILIAN SUPPLIES
TO ITALY, SICILY AND SARDINIA
US Shipments
(to 10 Aug 44)

British Shipments
(to 1 Aug 44)

Item	Long Tons	Dollar Value	Long Tons	Sterling Value
Foodstuff				
Wheat	173,321	\$ 9,635,000	239,750	£1,851,210
Flour	224,890	18,573,000	18,600	201,050
Beans & Peas	42,219	7,073,000	-	-
Sugar	6,270	857,000	18,011	276,000
Soup	41,495	12,700,000	-	-
Milk (all kinds)	8,763	1,893,000	1,345	284,850
Meat & Cheese	57,714	23,902,000	7,168	668,000
Other Food	-	-	306	11,500
TOTAL	554,672	74,633,000	285,180	3,292,610
Medical, Sanitary & Veterinary Supplies				
Veterinary Supplies	2,443	2,224,000	-	-
Soap	3,999	516,000	4,194	153,900
Coal	221,605	1,426,000	-	-
Transportation Equipment				
Autos for A/G	7	8,000	-	-
Special Utility Repairs	39	36,000	-	-
Clothing & Textiles	1,305	7,190,000	-	-
Agricultural Supplies & Equipment				
Chemicals	19,824	1,221,000	9,263	218,704
Potato Seed & Other Seeds	1,342	443,000	33,774	369,350
Miscellaneous supplies	450	129,000	-	-
TOTAL	21,626	1,793,000	43,037	588,054
Industrial Repairs & Supplies				
Fishing Ind. Supplies & Equip.	170	\$ 171,000	-	-
Mining Industry	710	114,000	-	-
Manufacturing Industry	790	44,000	-	-
TOTAL	1,671	329,000	332,311	£ 134,751
Miscellaneous	3,514	897,000	-	-
GRAND TOTALS	811,381	89,052,000	332,311	4,169,312

1615

FORWARD SCHEDULE OF BRITISH
SUPPLIES, AUG TO DEC '44.

211,000 1,619,790

785017

Meat & Cheese	8,763	1,893,000	1,345	284,850
Other Food	57,714	23,902,000	7,168	668,000
TOTAL	554,672	74,633,000	285,180	3,292,610
Medical, Sanitary & Veterinary Supplies	2,443	2,224,000	-	-
Soap	3,999	516,000	4,194	153,900
Coal	221,605	1,426,000		
Transportation Equipment	7	8,000		
Autos for A/C				
Special Utility Repairs	39	36,000		
Clothing & Textiles	1,305	7,190,000		
Agricultural Supplies & Equipment				
Chemicals	19,324	1,221,000	9,263	213,704
Potato Seed & Other Seeds	1,342	443,000	33,774	369,350
Miscellaneous supplies	460	129,000	-	-
TOTAL	21,626	1,793,000	43,037	588,054
Industrial Repairs & Supplies				
Fishing Ind. Supplies & Equip.	170	171,000		
Mining Industry	710	114,000		
Manufacturing Industry	790	44,000		
TOTAL	1,670	329,000		
Miscellaneous	3,514	897,000		
GRAND TOTALS	811,381	89,052,000	332,511	4,169,515
FORWARD SCHEDULE OF BRITISH SHIPMENTS, AUG TO DEC '44.				
Wheat			211,000	1,619,790
Sugar			10,700	153,000
Other Foods			3,000	224,850
TOTAL			224,600	1,997,640
GRAND TOTAL	811,381	89,052,000	557,011	6,166,955
(to include British shipments scheduled Forward)				

1615

P/A
 end
 24/11

See page 2 for Explanatory Note.

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Cont'd:

(US & British shipments of Civ. Supplies, etc.)

EXPLANATORY NOTE

1. The two reports from which this data was prepared were issued by the Combined Civil Affairs Committee, Supply Subcommittee, in Washington. The US report (C.C.A.C.(S) 1/26, 15 September 1944) covers shipments made through 10 August 1944. The UK report (C.C.A.C.(S) 1/26, 31 July 1944) includes data on shipments made or scheduled through December 1944.
2. To facilitate comparison UK data has been broken down to show shipments to August 1944, as well as shipments scheduled from August to December 1944. Since the UK report gave no breakdown showing the sterling value of shipments for these two periods, it was necessary to assume all long tons shipped in the two periods had equal value; that is, sterling value for each period was based on the proportion of total tonnage shipped during that period.

1614

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