

1597

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

785017

ACC

10000/109/954
(VOL. II)

1598

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

785017

10000/109/954
(VOL. II)

COAL
AUG. - NOV. 1945

160.
 F.C. I agree with you minute. I think we should use JARRO De Tuck GEC XIII Corps. Tothorpe says that Econ Com will be disbanded & justified permitted to flow fast if a different idea is not idea just cc

27/10

(181)

Chair Commission

Draft to AGC submitted. 18/2/44

OCT 25 RECD
 1545

(182)

F.C.

Good - but I would like ^{made} reference to early dispatches re V.E. - where frequent reference was made to necessity for economic autonomy for V.E. This was DFHQ's justification for the various joint understandings which Embassies & DC objected to. Now we see that also US & UK are disposed to help economic each of the line. The action is not to each supplies in our area are joint from V.E. each of the line, The joint understandings merely are a one-way street to assist the UKs, as I always felt they would be just cc

2329

785017

1599

27/10

cc

(181)

Chief Commissioner

Draft to ACU submitted. 18/12/54

(182)

OCT 25 RECD
1545

F.C.

Good - but I would like ^{more} reference to early dispatches re V6 - where frequent reference was made to necessity for economic autonomy for V6. This was DFHQ's justification for the various joint undertakings which Embassies & DC objected to. Now we see that other V5 & V6 are disposed to help economies each of the line. The action is not to cut supplies in our area - are not to cut supplies in each of the line. The joint V6 (area each) are a one-way street which always merely are a one-way street to assist the JVGs, as I always felt they would be

WMS
cc

2329

27/10

(185)

Letter at 184 cancelled - PA in instructions of Executive Commissioner

18/11

18/11

169

Amended

CSD - Folio 168 for info *Emud*

~~171~~

Corrected

CSD - Folio 192 for info. Will it is assumed CC will want to. See to prepare a reply and I will follow them up to that end.

Emud 4/10

173

Ex-Com.

CSD - Folio 172 (particularly para 3) for info

Emud 10/10

u/c

178

Ex-Com.

CSD - Folio 177 for info. This is what Brigg Parsons wanted and I will send him a copy.

Emud 18/10

179.

Chief Commissioner

P.177 submitted with reference to your action on 17/10.

This is all part of the refusal of the

Jags. to honour the agreement of the failure of 2358

the Joint Economic Council. I get things done.

Within the time has come to take the matter up with

the Commission with that it

785017

CC will send cc. to [unclear] and I will follow them up to that end.

Encl 4/10

173

Ex. Com.

CSO - Folio 172 (particularly para 3) for info

Encl 10/10

11/10

W. L. L.

178

Ex. Com.

CSO - Folio 177 for info. This 2 L.H. is what

Brig. Person's wanted & I will send him a copy.

Encl 18/10

10/10

179

Chief Commissioner

P. 177 submitted with reference to your letter on 1/10.

This is all part of the refusal of the

Yags. to honour the agreement & the failure of 2358

the Joint Economic Council to get things done.

Although the time has come to take the matter up with

A.P.H. & point to them the question is whether it

is policy to let the Yags get away with anything or

whether we, on our side, cannot be tough & apply

Sanctions

OCT 19 1947

11/10

MINUTE #161

TO: Executive Commissioner.

Reference is your minute #165 in Volume 1 of this file. (163)

Request approval and signature of Chief Commissioner on letter opposite to Ambassador Kirk. (162) (160)

A copy of letter 83/15.12/0 of 24 September to the Ministry of Foreign Affairs acknowledging their letter of 8 September is attached.

E.B. McHenry D.

E. B. McHENRY
Brigadier General, USA
Acting Vice President
Economic Section

ONE: jas
24/5/45

Chief Commissioner

Submitted. This is the present position.

175/20/13

Note 2/19

In s/c to Milgrom on 17 Sept. Two follow-up signals. Letter to Lawer, dated on 25 Sept asking for quantity on hand & reason for failure to supply to fight ~~the~~ signal & daily removal. No reply.

Coal Div. advises it has all been moved. This coal piles up at Savona because it is 24 hr. unloading port and ~~and~~ sometimes have to wait for wagons to move it out. Enus

Albano Kirk 2/19

165

280- Re minute 155 and 154. All coal 154. No further action Savona has been moved. 16397

Reference is your minute #143 in Volume 1 of the file. (163)

Request approval and signature of Chief Commissioner on letter
opposite to Ambassador Kirk. (162) (160)

A copy of letter RS/13.12/0 of 24 September to the Ministry of
Foreign Affairs acknowledging their letter of 8 September is attached.

St 24/5.

E.B. 7115/Kenley D.

E. B. McKIMLEY
Brigadier General, USA
Acting Vice President
Economic Section

CHM: Joe
24/9/45

Chief Commissioner

(164)

Submitted. This is the present position—

175/10/5

Note 27/9

In s/c to Milgram on 7 Sept. Two follow up
signals ~~later~~ to Geneva, dated on 25 Sept asking
for quantity on hand & reason for failure to
supply to fight ~~the~~ signal & daily removal.
No reply.

Coal Div. advises it has all been moved. This
coal piles up at Savona because it is 24 hr.
unloading port and ~~and~~ sometimes have to
wait for wagons to move it out. Enus

Albano 27/9

165

CSO- Re minute 155 and folio 154. All coal 16357
Savona has been moved. No further action
required

Enus 27/9

1605

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C.S.O.

155

154

Follow this up please with Econ Sec and
report.

(Intd) M.S.L. 10/9.

1606

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

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156

Capt Am Dely

Ref 154 the was mentioned
at the meeting. At follow up visit 155.

Li 11/5

2356

1607

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

785017

136

2303

Chief Commissioner.

Attached is submitted for your ~~unprocessed~~ signature ~~information~~

CC 1530
AUG 30 RECD

MS/388

Ex Comm

120

To CC's & you may please see file 119

21/8

121

Chief Commissioner. File 119 for information.
24/8

2

AUG 22 RECD
0950

Ex Comm

131

To info - please see file 130.

26/8

132

When in the basic letter.

28/8

Ex Comm

133

Basic letter referred to is file 128 A

28/8

134

134

Draft letter to Mr. Kishor Bissu for CC's signature

29/8

6

AUG 22 RECD
6950

W. L. Lamm

181

For info - please see file # 120.

26/8

132

When a the basic letter.

8/30/2014

For Honor

133

Basic letter referred to is at folio 128 F

2/5/20

34

Draft letter to Mr. Kiefer for issue for C's signature

2478

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

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785017

V.P. Econ Sect:

-1-

May I know, for C.C.'s information, what has happened & if the CBAC telegram (cont 24) is correct? If so have we yet resolved the question?

DS 11/12
A

Enc Com - Attached is letter from V-P Econ in reply to your mail.

Emm
21/11

NOV-3 RECD
1002

Chief Commissioner.

Attached is submitted for your information/signature/approval.

78/3/11

NOV-5 RECD

EC

Noted

[Signature]

has happened & if the C&A C Telegram (COTI 24)
is correct? If so, have we yet resolved the question?

17/12
2

Es Com - Attached is letter from V-P to see in
reply to your min. 1

Encl
2/11

NOV-3 REC'D
1002

Chief Commissioner.

Attached is submitted for your information/signature/approval.

17/12/34

NOV-5 REC'D

EC

Noted - Encl

[Signature]

5016 or 4049. 51

INCOMING MESSAGE

(199)

Originator's Reference FX 52641
Date Time of Origin 101119 A
Message Centre NO: G/3479
Date Time Rec'd 131430 A
Precedence PRIORITY

NOV 14 1945

FROM : AFHQ SIGNED SIGNED
TO : USRET, INFO: CONCOMED; BERGOMB; ALCOM TSTET MAIN

RECEIVED
13 NOV 1945
4 192
C.

RESTRICTED.

Subject coal for ITALY and further to FX 50977 and FX 51066 of 30 OCTOBER.

1. Most grateful for your offer by telephone of 5 cargoes ex US originally destined for AUSTRIAN ports in exchange for 2000 railway wagons for temporary service between RUHR and BELGIUM. Much regret however that owing to circumstances unforeseen when our FX 51066 was dispatched unable now undertake to provide rolling stock and locomotives for use outside ITALY.
2. Unforeseen circumstances envisaged in first above include (A) programme of coal now scheduled for November loadings and December arrivals make grand total of 707000 tons. Requirements for clearing this large tonnage do not permit of diversion of wagons from ITALY for longer haul from RUHR. (B) Weather conditions in north ITALY now being experienced will make wagon distribution increasingly difficult and make it inadvisable to divert wagons out 2393.
3. Alcom have requested CCS that 5 cargoes already discussed and now enroute for northwest EUROPE be diverted to north Italian ports to partially fill gap arising from November short fall and that repayment be made by diversion from December allocation to ITALY unless additional loading

Det M
250

785017

1612

NOV 14 1945

FROM: AFHQ SIGNED SACHED

TO: USFET, INFO: COMCOMB: BERCOMB: ALCOM TSPT MAIN

RESTRICTED.

Subject coal for ITALY and further to FX 50977 and FX 51066 of 30 OCTOBER.

1. Most grateful for your offer by telephone of 5 cargoes ex US originally destined for BELGIAN ports in exchange for 2000 railway wagons for temporary service between RUHR and BELGIUM. Much regret however that owing to circumstances unforeseen when our FX 51066 was dispatched unable now undertake to provide rolling stock and locomotives for use outside ITALY.

2. Unforeseen circumstances envisaged in first above include (A) programme of coal now scheduled for November loadings and December arrivals make grand total of 707000 tons. Requirements for clearing this large tonnage do not permit of diversion of wagons from ITALY for longer haul from RUHR. (B) Weather conditions in north ITALY now being experienced will make wagon distribution increasingly difficult and make it inadvisable to divert wagons out 2393.

3. Alcom have requested CCS that 5 cargoes already discussed and now enroute for northwest EUROPE be diverted to north Italian ports to partially fill gap arising from November short fall and that repayment be made by diversion from December allocation to ITALY unless additional loading can be arranged to repay such diversions. Most grateful if you can give your concurrence.

4. Understand investigations already being discussed regarding supply of coal for ITALY ex RUHR at ECO conference in LONDON.

(can someone)

785017

1613

1614

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785017

G/ 3479

2 PAGE

5. This also answers to 337 of 8 November from October TSPET
main and SC 5495 of 8 November from TSPET main.

AC DIST
ACTION COAL DIV. 2
INFO CHIEF COMMISSIONER
EX COMA 2
ECON SEC 4
REQ (Br) (10)
TRANSPORT SC 2
FINANCE SC
COTO IN EMBASSY
CA TO US EMBASSY
FILE 2
FLOAT

INCOMING MESSAGE

HEADQUARTERS ALLIED COMMISSION

Originator's Reference: WCL 19685

Message Centre No: G3388

Date / Time of Origin : NOV 092244Z

Date Time Rec'd: NOV 110930A

FROM: WAR CCS CITE CCAC FOR CLAC

Precedence: ROUTINE

TO : ACTION: ALLIED COMMISSION INFO: AFHQ FOR FREGG AND UN BASE SECTION FOR
CABINET SECRETARIAT.

UNCLASSIFIED.

This is COM 289. Refer paragraph 3 LOC 352. Coal from TURKEY.

Turkish coal could not be financed by United Kingdom as part of basic programme, since sources for procurement by the United Kingdom against these do not include third countries.

Action Direction - Econ Sec 11
(CGO (6), Supply Group,
Program Br., Requisition Br. (3))

Advance copies to - Commerce SC 2
Finance SC
Food-Agric. SC 2
Ind.-Utilities SC 3
Tr. SC 2

Info - Chief Commissioner
Exec. Comm. 2
CC Br. Emb.
CA US Emb.
WSA Rome
LWTR
F116

HEADQUARTERS
2352

785017

265

Translation

The President of the Council of Ministers

Rome, 31 October 1945

My dear Admiral,

NOV 2 1945

the decision of the Allied Commission to reduce of about one half the import of coal for the month of November because of the strikes in America is a cause of great preoccupation for our Government, for it will certainly make much worse the industrial crisis, which will strike all Italy with the incoming winter, involving all civilian life, and increasing unemployment.

The proposal of completing the reduced contingent of coal with black coal and anthracite from America, by which the Allied Commission tried to meet Italian requirements, can only meet a small part of such requirements, for black coal, because of its physical and chemical characteristics, cannot be used easily by industrial plants.

I shall as soon as possible give you precise information about the limitations which the intended reductions will cause, and the ensuing very serious repercussions on every industrial activities and on the whole civilian life of our Country; and I beg you, my dear Admiral, to intervene personally so that the supplying of coal to Italy during the next month may take place according to the fixed plan, completing if necessary American supplies with coal from some other source.

Considering the seriousness of the situation, I informed our Ambassadors in Washington and London, asking them to bring to the attention of the respective Governments the consequences that such an action would have.

Thanking you for whatever action you will deem it advisable to take, I remain,

Yours sincerely,

Benito Mussolini
+ M208 - A. Ferruccio Parri

Admiral Ellery A. Stone
Chief Commissioner
Allied Commission
Rome

trans. e/c

EC Dist - 2.10.45

Action - C. C. (S)

Info - C. C.

2391

See 2/1

(CART WHITE)

INCOMING MESSAGE

Originator's Reference: 14135
DATE/TIME OF ORIGIN:

Message Centre No: G/2598
Date Time Rec'd: NOV 011600A
Precedence: ROUTINE

FROM: CCS AGWAR FROM J H HILLDRING MAJOR GENERAL DIRECTOR CIVIL
AFFAIRS DIVISION CITE CCAC FOR CLAC

TO: ALCOM INTMO APHQ, US PASE SECTION FOR CABINET SECRETARIAT .

UNCLASSIFIED:

This is COM 248.

Refer NOC 332 and WAR DEPARTMENT cable 5681.

Description and proximate analysis coal shipments to ITALY unde.
Civilian Supply Program.

1. Information as to specific analysis each coal cargo un-
available. However, general description is available based to some
degree on ports of loading and general analysis of type coal now
available for export of which approximately 90% of UNITED STATES
exports to EUROPE will be strip coal, straight run of mine of 4-inch
resultant.
2. Shipments from PHILADELPHIA should be approximately 17 to 25
volatile strongly coking and swelling, 9 to 14% ash, 1 to 3% sulphur,
2300 and above AST. BALTIMORE and CHARLESTON shipments should be
coking and also BALTIMORE shipments should provide some medium qualiti
gas coal.
3. CHARLESTON and GULF Ports should analyze about 33 to 39%
volatile, 6 to 14% ash, sulphur up to 3% and approximately 2100 AST.
4. High quality gas, low volatile coking and sized coals not
currently available. Suggest maximum use be made of strip coal ²³⁰⁰
is available and that any stocks of high grade coal in ITALY be
conserved for specific and users requiring quality coal.

DIST

INFO-ACTION REQ BR 10
INTO CHIEF COMMISSIONER

TO: ALCOM INFO AFHQ, US PASE SECTION FOR CABINET SECRETARIAT .

UNCLASSIFIED:

This is COM 248.

Refer MOC 332 and WAR DEPARTMENT cable 5681.

Description and proximate analysis coal shipments to ITALY unde
Civilian Supply Program.

1. Information as to specific analysis each coal cargo un-
available. However, general description is available based to some
degree on ports of loading and general analysis of type coal now
available for export of which approximately 90% of UNITED STATES
exports to EUROPE will be strip coal, straight run of mine of 4-inch
resultant.
2. Shipments from PHILADELPHIA should be approximately 17 to 25
volatile strongly coking and swelling, 9 to 14% ash, 1 to 3% sulphur,
2300 and above AST. BALTIMORE and CHARLESTON shipments should be
coking and also BALTIMORE shipments should provide some medium quality
gas coal.
3. CHARLESTON and GULF Ports should analyze about 33 to 39%
volatile, 6 to 14% ash, sulphur up to 3% and approximately 2100 AST.
4. High quality gas, low volatile coking and sized coals not
currently available. Suggest maximum use be made of strip coal
is available and that any stocks of high grade coal in ITALY be
conserved for specific and users requiring quality coal.

Handwritten: 785017

<u>DIST</u>	INFO-ACTION	REQ	BR	10
	INFO	CHIEF COMMISSIONER		
		EX COMMISSIONER	2	
		ECON SEC	4	
		CC TO BR EMB		
		CC TO AM EMB		
		FINANCE	SC	
		TN SC	2	
		FILE	2	
		FLOAT		

Handwritten: (KAT WHITE)
(ADVANCE COPY NOT SENT TO EC)

31 October 1945.

NOV 1 1945

My Dear General:

The provision of coal for civilian consumption is now no longer a military commitment but as President of the Allied Commission I think you would be interested in the attached copy of a telegram MOC 352 on the subject of the grave reduction in coal shipments during the month of October.

I have asked both the British and US Ambassadors to do all that they can to impress upon the governments the gravity of the situation with regard to unemployment and I attach copy of my letter to Mr. Kirk which gives you the picture. If you feel that you can with propriety draw the attention of the CCB to the situation, which is aggravated by the fact that we are obliged at the same time to ask for a further 100,000 tons of wheat to be imported monthly, I should be most grateful.

Sincerely yours,

[s] Emory W. Stone

EMORY W. STONE
Rear Admiral, USNR
Chief Commissioner

Ident. General Sir W.D. Morgan, KCB, CB, DSO, MC,
Supreme Allied Commander,
ALLIED FORCE HEADQUARTERS.

(CAPT WHITE)

2369

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

5064
LC
194
31 October 1945
NOV 1 1945
My dear Mr. Ambassador:

You will have seen the letter which Mr. Cleveland sent you with a copy of MOC 352 on the coal situation.

Needless to say, it is most serious for coal shipments to fall off at this time, just when the increased shipments and distribution of this vital commodity were promoting employment and confidence in the North in the face of the coming winter.

I hope you will do everything you can to bring the seriousness of this situation to the attention of the highest levels of the Government in Washington.

Sincerely yours,

167 Elderly E. Stone
ELDERLY W. STONE
Rear Admiral, USNR
Chief Commissioner

The Honorable Alexander Kirk
The American Ambassador
119 Via Vittorio Veneto
ROME

7A
5mm
711

2368

(CAPT WHITE)

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

31 October 1945

NOV 1 1945

My dear Sir Charles:

I believe you will be interested in the attached copy of HOC 352, and the letter to Ambassador Kirk by Mr. Cleveland on the subject of the falling off of coal shipments during the month of October.

We would very much appreciate anything you can do to bring the seriousness of our coal situation to the attention of the highest levels of government in London. You will agree, I am sure, that it might be little short of disastrous for coal shipments to be cut just at this time when the coal program was starting to build up employment and confidence, especially in the northern areas.

Sincerely yours,

[Signature]

DEWEY W. STONE
Rear Admiral, USNR
Chief Commissioner

His Excellency Sir Noel Charles
The British Ambassador
Via Monte Bello
ROME

1 Incl: m/a

PA Annul M

2387

(CAP WHITE)

5016
EX COMM 192
INCOMING MESSAGE

Originator's Reference: FX 50977
Date/Time of Origin: OCT 30 1030A

Message Centre No: G/2471
Date Time Rec'd: OCT 31 1230A
Precedence: PRIORITY

From: HQ MTOUSA SIGNED COMENMED CITE NAGDS

To : ACTION USFET INFO BERCOMB, CONCOMB, ALCOM

RESTRICTED.

Subject coal for ITALY.

AGWAR advises in COM 261 of 26 current that, as a result of recent US coal strikes, 52 out of 90 coal cargoes for ITALY, scheduled for September and October loadings failed to sail. Result will be to reduce November coal arrivals for ITALY by 200,000 tons or approximately 50%. This reduction will have most serious effect on Italian economy principally in industrial north where it is estimated unemployment will be increased 1 million. Main industries affected will be cement and brick making (for reconstructions purposes), textiles, rubber, heavy industries (turning out trucks and industrial machinery), chemicals, pharmaceuticals and fertilizers (for next years crops). Industry has no stocks of coal on hand as all imports have had to be consumed as soon as received. In addition, there will be no coal for domestic heating.

AGWAR has promised resumption of shipments as soon as possible but state that no pickup in shipments can be expected until 1 November. In view of repercussions of unemployment problem, the essential nature of industries affected and the lack of domestic heating, the November coal position for ITALY is causing us gravest concern. Immediate requirements are 200,000 tons run of the mine coal for general purposes similar to American high volatile coal now being shipped.

Please advise if release can be made of 200,000 tons coal for ITALY. If, 2350 total amount not available, request any portion that can be released. Also, request dates and locations of release. In view of the extreme urgency of the situation, we will undertake movement to ITALY by the use of rolling stock and locomotives of this theater which would have been used to move coal from ports in

RESTRICTED.

Subject coal for ITALY.

AGWAR advises in COM 261 of 26 current that, as a result of recent US coal strikes, 52 out of 90 coal cargoes for ITALY, scheduled for September and October loadings failed to sail. Result will be to reduce November coal arrivals for ITALY by 200,000 tons or approximately 50%. This reduction will have most serious effect on Italian economy principally in industrial north where it is estimated unemployment will be increased 1 million. Main industries affected will be cement and brick making (for reconstructions purposes), textiles, rubber, heavy industries (turning out trucks and industrial machinery), chemicals, pharmaceuticals and fertilizers (for next years crops). Industry has no stocks of coal on hand as all imports have had to be consumed as soon as received. In addition, there will be no coal for domestic heating.

AGWAR has promised resumption of shipments as soon as possible but state that no pickup in shipments can be expected until 1 November. In view of repercussions of unemployment problem, the essential nature of industries affected and the lack of domestic heating, the November coal position for ITALY is causing us grave concern. Immediate requirements are 200,000 tons run of the mine coal for general purposes similar to American high volatile coal now being shipped.

Please advise if release can be made of 200,000 tons coal for ITALY. If total amount not available, request any portion that can be released. Also, request dates and locations of release. In view of the extreme urgency of the situation, we will undertake movement to ITALY by the use of rolling stock and locomotives of this theater which would have been used to move coal from ports in ITALY if the coal had been shipped from the US and by seriously cutting our essential commitments. Upon receipt of your reply as to amount available, plan will be submitted to you for movement of coal to ITALY.

(COPY WANTED)
PA Ennu
(ADVANCE COPY SENT TO EC)

(FX 50977 cont'd)

- 2 -

This is sent to you because the situation may become so critical as to involve the military end, also, because we understand that ECO does not control the entire coal production from the RUHR. Request, therefore, that you press this matter urgently on our behalf.

DIST

INFO-ACTION: Coal Div 2
INFO: Chief Commissioner
Ex Commissioner 2
CC to Br Emb
CA to US Emb
Econ Sec 4
Reg Br 10
Tn SC 2
Finance SC
File 2
Float .

(M/C Note: Distribution as for COM-PAT series
except for info-action to Coal Div)

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1624

1623

785017

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501648

RESTRICTED EX COMM 131

B2096 CA 18
OCT 291830Z

G/2372
OCT 300930A
IMMEDIATE

TROOPERS

ALLIED COMMISSION HOME. INFO REAR FREEDOM

OCT 30 1945

RESTRICTED

Your 7753 para 2 undesirable that Italian Govt representatives should attend at present time. Please confine to AC representatives who will act as adviser to US AND UK members.

Dist

Action - Coal Div 2

Info - Chief Commissioner
Exec Comm 2
Econ Sec 2
File 2
Float

HEADQUARTERS
30 OCT 1945
A. C.

See 216

RESTRICTED

23/10
31/10

(CAPT WHITE)

1626
Declassified E.O. 12356 Section 3.3/NND No. 785017

5016 50
1910
27 October 1945.

OCT 28 1945

My dear Mr. Ambassador:

This will acknowledge receipt of your letter of 25 October with reference to the effect of strikes in the United States on shipments of coal to Italy and the information you have received from the State Department regarding future coal shipments to this country.

Sincerely yours,

ELLERY W. STONE,
Rear Admiral, USNR
Chief Commissioner.

The Hon. Alexander Kirk,
American Ambassador,
Via Veneto 119,
ROME.

CC: Ex Comm.
CC: Econ Sect.

Comus
29/10

2354

(APR WHITE)

1627
5016 40
RESTRICTED

81546 0416
oct 251820

File
Encl

28
189
a/2122
oct 261630
IMPORTANT

TROOPERS

ALLIED COMMISSION HOME INFO FREEDOM

OCT 27 1945

RESTRICTED.

for coal gecton.

para 1. has been decided that ECO should start taking cognizance of Italian coal requirements through US and UK representatives of ECO.

para 2. pending assumption responsibility by UNRRA suggested member from AG should attend meeting in role of adviser to US and UK members.

para 3. Allocation meeting will be 1030 hrs Tuesday 6th November and council meeting 1500 hrs Thursday 8th November.

para 4. suggest your representative who will advise US and UK members should report to waton Griffith room 408 King's building in dean Stanley street at 1000 hrs 6th November.

DISTRIBUTION:

Action; coal div	2
Info; chief commissioner	
Mr Goma	2
Mem sec	2
File	2
float	

2363

RESTRICTED

5016 40
18
COPY

THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

Rear Admiral Ellery W. Stone
Chief Commissioner
Allied Commission
Rome

AMERICAN EMBASSY
Rome, Italy
October 25, 1945

My dear Admiral:

With reference to the effect of strikes in the United States on shipments of coal to Italy, I have received from the Department of State the following telegram which may supplement information on the subject already available to you:

"There has been grave concern here over the coal shipment situation as six out of forty-two cargoes originally scheduled for September loading failed to move due to lack of coal. Out of forty-eight scheduled for October loading, we have information to date that only two have sailed due to coal shortage as result of strike. However, strike was settled yesterday morning, October 17, and miners return to work Monday, October 22. Solid fuels administration states it cannot expect any pickup in shipments until November 1, since it will take approximately two weeks after miners return to work to realize any appreciable increase in production. They have made assurances, however, that coal shipments will be resumed as soon as possible and continued at maximum rate possible until the entire allocation is completed."

Sincerely yours,

/s/ A. Kirk

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

785017

2302

HEADQUARTERS ALLIED COMMISSION
APO 394
Economic Section

Tel: 550

HC/gsw

Ref. Es/

31 October 1945

SUBJECT: Coke for Sardinian Smelters

TO : The Chief Commissioner
(Through the Executive Commissioner)

1. Reference COM 241, dated 16 October 1945, to the Executive Commissioner's Minute #1 dated 17 October.
2. It appears that there was insufficient coordination among the affected offices of the Economic Section with respect to coke for Sardinian lead production. An attempt will be made to secure such coordination in the future by careful review of outgoing cables like MOC 324.
3. The story is briefly the following: One of the first military requisitions put forward by ACC was MGS 144, which requisitioned a large number of items required to reactivate the Sardinian lead and zinc mines and smelters. After considerable delay in Washington, this requisition was disapproved as a military requirement and referred to the Combined Liberated Areas Committee at the time when Category "B" was first established. CLAC referred the matter for advice to the Combined Raw Materials Board which stated that lead and zinc were in world short supply and that therefore Sardinian production should be reactivated with particular reference to the requirements of Italy's own industrial rehabilitation program, and possible other European needs.
4. Most of the material on this requisition was in short supply, and procurement of the items, which was authorized in the very first Category "B" requisition, has been considerably delayed. However, it is now becoming available and Sardinian production can now commence when coke is made available for operation of smelters.
5. One item on the original program, which was carried over into Category "B", was 7,000 long tons of coke. Of this quantity, 4892 tons were shipped a short time ago on the SS HARRY PERCY. The Economic Section has decided to off-load 1892 tons in Naples for use on the Italian mainland, and to use the remainder in starting lead production in Sardinia. This quantity (3000 tons) should be sufficient for approximately three months operation. Thus, we have in effect "borrowed" 1892 tons of coke for immediate use in Italian industry rather than stock-piling this quantity in Sardinia for use during the first months of 1946. This "loan" will be repaid in kind in a couple of months out of local production. Since coke for Sardinian lead operation was procured with Category "B" funds, it will be necessary for us to follow closely the production there and to make sure that smelting operations receive the required quantity of coke promptly, as soon as it is needed.

1630

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

785017

- 2 -

186

6. A MOC signal is being sent to Washington which will clarify the position and emphasize that there was no intention of cancelling the requisition for materials for lead and zinc mines.

7. The same situation should not arise with respect to other Category "B" requisitions, since this is the only one which included coal or coke. All other coke shipments are handled as part of the FEA Program of Basic Supplies.


HARLAN CLEVELAND
Acting Vice President

2380

D R A F T.

Ref: 5046/ /EC.

October, 1945.

SUBJECT: Attitude of Yugoslavs in V. GIULIA.

TO : Allied Force Headquarters.
Attn: G-5 Section.

1. The attitude of the Yugoslav representative in the Joint Economic Committee in TRIESTE with respect to the provision of coal from the ARSA coal mines is completely negative, (vide attached memorandum). Coal produced in VENEZIA GIULIA which should be made available for the economy of both Zone "A" and Zone "B" (i.e. territory West and East of the Morgan Line) is stated to be not available for Zone "A".
2. This attitude appears to me typical of the whole approach of the Yugoslav representatives to the economic aspect of the agreement and is, of course, in line with the only too apparent policy of sabotage which the Yugoslav Government has adopted towards the agreement as a whole.
3. The result of course is that, in the economic field, the resources of the remainder of Italy have to be tapped to provide supplies which should normally come from VENEZIA GIULIA as a whole.
4. GOC, XIII Corps, finding that the population in Zone "A" will shortly be without food and timber, naturally demands that the neighbouring provinces in the West should provide. We naturally must see to it that provision is made.
5. The result on the administrative side is extreme difficulty in effecting adequate local government, education, etc. In this respect I am told that quite apart from the acts of the civilian Slovenes, the Yugoslav troops are successfully intervening in rendering impossible local government as laid down in General Order No. XI.
6. I would ask ~~that~~ what is Allied policy in this respect? What pressure, if any, is being brought to bear on the Yugoslav Government to

1. The attitude of the Yugoslav representative in the Joint Economic Committee in TRIESTE with respect to the provision of coal from the ARSA coal mines is completely negative, (vide attached memorandum). Coal produced in VENEZIA GIULIA which should be made available for the economy of both Zone "A" and Zone "B" (i.e. territory West and East of the Morgan Line) is stated to be not available for Zone "A".

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6. I would ask ~~that~~ what is Allied policy in this respect? What pressure, if any, is being brought to bear on the Yugoslav Government to honour their side of the agreement?

7. It is not for me to recommend the methods to be adopted. Clearly it would be impossible to impose sanctions locally, i.e., in Zone; it might be politic to abolish the Joint Economic Committee as a gesture of disgust.

*to stop this line
and then flow of aid.*

see M185

2

1 6 3 3

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785017

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-2-

But it would seem that the rest must be accomplished at Governmental level and to this end I would ask that action be taken.

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Copy to: US Embassy
Br Embassy
Econ Sec (2)
XIII Corps.

2316

1 6 3 4

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

785017

5016

177

HEADQUARTERS ALLIED COMMISSION
COMMERCE SUB-COMMISSION
COAL DIVISION
APO 394

Tel : 303

HMW/eg

Ref : AC/CD/1202/Commerce

17 October 1945

Subject : Istrian Coal.

OCT 18 1945

To : Executive Commissioner
Attn.: Chief Staff Officer.

1. The latest news on the Istrian Coal situation is that there will be no coal available from the Istrian mines in the immediate future.
2. Col. Bickerstaff, Economics Chief XIII Corps, has stated to-day that despite all overtures on our part the Jugo Slavs have refused to permit us to enter the disputed territory in which the mines are located to ascertain what might be available for use in Italy.
3. Several arrangements to ship coal from Arsa to users in the Trieste area have been made but when the time came to finally put them into effect there was always some objection on the part of the Jugo Slavs.
4. For example an arrangement was made to transport Coal from ARSA to POLA by road truck and onward by ship to Italy (Trieste). The Jugo Slavs now say the road Pola-Arsa is impassable and the arrangements is called off.
5. We shall keep you informed of any further developments.

Copy to:-
Mr. Sullivan, Director
Industry & Commerce S/C.

For P.R. EVANS
Colonel
Coal Division.

See Hmd 176-180 181, 182

see 184
2317

LD (CAPT White)

1635

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

785017

Col. Densmore

Why wasn't
This done? Paul

EWS
CC

22
10

Ex Comm

INCOMING MESSAGE
HQ ALLIED COMMISSION

171A

Originator's Ref: 10350

Date/Time of Origin: OCT 16 NFI

MSG Center No G/1134

Time Rec'd: OCT 161500A

Proc: ROUTINE

FROM: WAR FROM COS CITY COMAC FOR CLAC

TO : ALLIED COMMISSION INFO AMMO FOR PHOTO AND UK BASE ELECTION
FOR CABINET SECRETARIAT

ROUTINE

This is COM 241. Coke for Sardinian smelters.

1. Your MOC 324 4000L not understood A D (and?) appears that it has not been coordinated with other parts of AC.

2. Refere (reference?) para 1, procurement of coke for lead smelting known to AC reference COM 26, MOC 134, COM 103 and MOC 157 PE moreover VT-38 which covers this procurement was sent to you with COM AIR 48 August 6.

3. Refer para 2, requisition MGS-144, now CLAC I-2, is in active procurement in UNITED STATES and UNITED KINGDOM for mining supplies. Supplies ex UNITED STATES are procured with Y T-1 through 11 and are being shipped October-November 1945. You should contact UNITED KINGDOM for status on their procurement which is very often discussed in TAP-PAT series. MOC 157 requested coke and coal for operation of smelters.

4. Further ref para 2 and para 4, do not understand statement lead demand does not warrant reactivation lead and zinc mines PE CEYB has recommended since 1943 reactivation Sardinian mines to meet Italian and European requirements. Lead is still in short supply and on RCL of CEYB and certainly needed in ITALY. Numerous cables to CAL-LAC and COM-MOC series discuss subject.

5. Refer para 3, your figures MOC 324 ore stocks are 2376 requirements do not agree with data filed by AC starting with 1940 on subject mines dated October 13, 1943 prepared by Col KENNIS. Since coke requirements are indicated to be 1450 tons at maximum capacity of mines, shipment now on way sufficient for 5 to 6 months.

FROM: WAR FROM COC CITE COAD FOR CLAC
TO : ALLIED COMMISSION INFO AFHQ FOR FVCEG AND UK BASE SECTION
FOR CABLED SECRETARIAT

ROUTINE

This is COM 241. Coke for Sorathian smelters.

1. Your MEC 324 AGGOL not understood a D (and?) appears that it has not been coordinated with other parts of AG.

2. Refers (reference?) para 1, procurement of coke for lead smelting known to HZ reference COM 90, MEC 131, COM 103 and MEC 157 PE moreover VT-38 which covers this procurement was sent to you with COM AIR 43 August 3.

3. Refer para 2, requisition MCS-144, now CLAC I-2, is in active procurement in UNITED STATES and UNITED KINGDOM for mining supplies. Supplies in UNITED STATES are procured with K T-1 through 11 and are being shipped October-November 1945. You should contact UNITED KINGDOM for status on their procurement which is very often discussed in TYP-PAT series. MEC 157 requested coke and coal for operation of smelters.

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5. Refer para 3, your figures MEC 324 are stocks and ^{RE-} requirements do not agree with data filed by AC starting with ²³⁷⁶ on subject mines dated October 13, 1943 prepared by Col KOENIG. Since coke requirements are indicated to be 1450 tons at maximum capacity of mines, shipment now on way sufficient for 5 to 6 months operation under overent circumstances.

6. SS JOHN WILLIAM GATES, TB Nr 13 (COM aigram 52 refers) loading October 6. Sailing papers not yet received. Will forward soonest.

Dist
Action: Requis Br (5)
INFO: Chief Commissioner, Exec Comm 2.
CC to Br Emb. C. to US Emb.
Econ Sec 4. Finance SC
File 2 Fleet

REF: JAN 1965 005 0012 0042

FOR: ALGERIA COMMISSION FOR ACTION FOR THE FRENCH INFORMATION UNIT
FOR FROTH AND OF THE FRENCH FOR CANTON SECRETARY.

UNCLASSIFIED.

This is COM 21. Refer 100 123.

Coal tonnage for October and November loading ex UNITED STATES FOR ITALY civil use supply.

1. Paragraph 3, COM 226 states direct military coal requirements for both UNITED STATES and UNITED KINGDOM troops are to be met through normal military supply channels. Italian civilian October coal loading schedule calls for 43 cargoes and tentative November loading program calls for 55 cargoes coal, all of these quantities are under the civilian supply program and not for military use.

2. Due to various coal supply position which may develop in UNITED STATES suggest a 1 effort be made to receive maximum coal deliveries for individual amount and if necessary utilize storage facilities in ITALY to build up stocks.

3. Specifications on coal shipments will be subject to cable to follow.

DIST

ALGERIA DEC 19 5
 COM 21
 LA COMMISSION 2
 CO TO 17 1115
 CA TO 16 1115
 2301 170 4
 171115
 1711 2
 1711 2

2375

1640

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

785017

ADQUARTERS ALLIED COMMISSION

APO 394

Office of the Executive Commissioner

176

FILE

Ref: 5016/EG.

12 October 45.

SUBJECT: Coal Distribution - Northern Italy.

TO : Economic Section.
(Attn: Col. Densmore).

1. Reference Coal Division, Commerce Sub-Commission, memorandum to A/VP, Economic Section, PEE/jv dated 26 Sep 45, returned to you herewith.

2. I am directed by the Chief Commissioner to request you to follow through energetically on the two sections marked with an arrow on the memorandum.

F. H. McCLEARY

Brigadier,
Executive Commissioner.

Incl.

BU 18/10
Emw 17/10
hooked in

11/13/10

2374
10/10
Mayer

785017

CSC

P.

Ackin as directed by CSC - as follows.

[Handwritten signature]

OCT 9 1964
000952

Exec. ~~and~~ Commissioner.

11/10

Approved
information

Exec. Sec. should be requested to follow thru on budget call for the two sections marked [X] [X]

Coal Division, Commerce Sub-Commission, memorandum to Brig. Gen. McKinley, PE/jv dated 26 Sep 45, subject: Coal Distribution - Northern Italy. Sections referred to in Chief Commissioner's note:

...2. The organization of an Italian Coal Office in Milan as already agreed by the Italian Government, together with the necessary regional agencies, has not proceeded far. A man called Chiossi has, up to the 13th September, been in charge, his organization being variously called the Coal Monopoly, Commissariato Carbone, and Settore Carbone, but he had proved most uncooperative, apparently regarding himself as the Coal Controller of the North and paying no regard to the Rome Government, AMG or to Coal Section Division representatives. At the request of Col. Glendenning of Industry Sub-Commission he has been suspended. It is essential that a successor be promptly appointed in his place, and the office properly organized to deal with the heavy coal distribution program. The Memorandum of this Division will propose that the Northern Italy Coal Office shall be a Government Office, to coordinate the requirements of the various Industrial Comitati through the Council presided over by the Ministry of Industry and Commerce.....

...4. Following such a short visit, it is obviously not appropriate to offer a definite personal opinion as to the degree of collaboration which is being offered in general by the Italians in the North. It may be reported, however, that Lt. Col. Crum, the Regional Commerce Officer for Lombardia and other officers were emphatic in their opinion expressed to me that the Italians were not playing, took no notice of AMG, and were merely waiting to be handed control and then to go

785017

OCT 9 1952
00952Exec. ~~Comm.~~ Commissioner.Approved
Attached is submitted for your signature
information

11/10
 Exec. Sec. should be
 requested to follow thru
 budget. call for the two sections
 marked 32 → 33
 10/26/52

Coal Division, Commerce Sub-Commission, memorandum to Brig. Gen. McKinley,
 RE/JV dated 26 Sep 45, subject: Coal Distribution - Northern Italy.
 Sections referred to in Chief Commissioner's note:

...2. The organization of an Italian Coal Office in Milan as already agreed by the Italian Government, together with the necessary regional agencies, has not proceeded far. A man called Chiossi has, up to the 13th September, been in charge, his organization being variously called the Coal Monopoli, Commissariato Carbone, and Settore Carboni, but he had proved most uncooperative, apparently regarding himself as the Coal Controller of the North and paying no regard to the Rome Government, AG or to Coal Section Division representatives. At the request of Col. Glendenning of Industry Sub-Commission he has been suspended. It is essential that a successor be promptly appointed in his place, and the office properly organized to deal with the heavy coal distribution program. The Memorandum of this Division will propose that the Northern Italy Coal Office shall be a Government Office, to coordinate the requirements of the various Industrial Comitati through the Council presided over by the Ministry of Industry and Commerce....

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1643

785017

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

5016

174

C O P Y

Chief Staff Officer to Executive Commissioner

Istrian Coal

522/EC

12 October 5

Col Evans
Coal Section
Economic Section

Reference Annexure B, para 7, Brigadier Anderson's
Economic Report on Venezia Giulia.

Brigadier Parsons, G-5, AFHQ, who was here yesterday,
was asking if it was possible to provide a little more detailed
information regarding the Istrian coal. Can you provide such
information?

FHMcG

Lt Col
CSO

B/V
16/10
Noted RS

2372

1644

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

785017

5076

4826

172

C 25416

OCT 051128A

G 167

OCT 031430A

ROUTINE

From: AFHQ

OCT - 8 1945

To: PERSBASE, PERSOUTH, ABC, ALCON, ROME, EPA, ACAB-IT VIENNA, DISTRO, DISTHALL, ROME AREA N, IS CORPS, ENRSI ROME, INFO ACWAB, TROOPERS, BENCOMB

UNCLASSIFIED

Subject Coal Importation and Allocation PSN BENCOMB for Econ Coal.

1. Effective 1 October 1945, the GH, AFHQ is relieved of responsibility for the supply of coal in the theater and (Coal Sect) AFHQ is dissolved as of that date.

2. Procedure for supply of coal for military use will be as follows:

A) Coal requirements of the U.S. Army will be obtained through normal supply channels.

B) Instructions for the supply of coal to British Forces (including military, civil and railway requirements of the British zone of AUSTRIA) will be issued by GHQ, CMF.

3. Civil requirements for ITALY is a responsibility of ALLIED COMMISSION. Civil requirements for VENETIA GIULIA and UDINE Prov is the responsibility of AFHQ IS CORPS in coordination with and through the ALLIED COMMISSION to this HQ.

4. Matters affecting both military and civil coal in ITALY (EG railway requirements, allocation of ships to ports etc) will be coordinated by ALLIED COMMISSION with the appropriate HQ. Where there is conflict, military requirements will receive first priority.

237.1

Dist

Action - Coal Div

Info - Chief Commissioner

Econ Sec 2. Industry 2

File 2 Float

See 173

(CMT WHITE)

1645

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

785017

C80

18/10
Followed up.
be see again

17/10
Highland ad.
vise letter in
course of prepara-
tion 15/10-18/10
will follow up

A bad letter - but followed up

Please.

DR/OLR

Capt. White

PC

17/10 8/10.

done
(mud)

785017

Translation

The President of the Council of Ministers

47176/18/L

Rome, 30 September 1945

Dear Admiral,

OCT - 3 1945

considering that the agreement of July 8th last, which guarantees the payment of their salary to the workers of the northern provinces, is shortly to come to an end, the Government has prepared, as you know, a great plan of works destined to absorb an important part of the manpower which will remain unemployed.

However, we cannot expect this sole regulation to solve the serious and complex problem of unemployment in northern Italy, also because the carrying out of the planned works and the transfer of the workers from one kind of work to another cannot take place at once; it is therefore difficult to assure the passage to the new situation without dangerous breaches and trouble.

Such a result would be considerably facilitated by a larger allocation of naphta and coal, to give a longer delay to the plants and give to the manufacturers the hope that normalization is shortly to take place, this to have a lesser number of workers discharged.

I shall be most grateful, my dear Admiral, if, considering the vital importance of the request, you again intervene personally, to obtain for the next few months, which represent the most delicate moment of the crisis, greater supplies of coal, and also of naphta, to meet the urgent requirements of the industrial zones, especially in northern Italy, and also in Sicily, for whom it is of vital importance, as I already wrote to you, to increase the production of electric power, which is the basis of civilian and economic life.

Believe me,

EC Personal

Yours very truly,

Will you follow up the
the no smoking is needed.

B. Ferruccio Parri

Admiral Ellery W. Stone
Chief Commissioner
Allied Commission
Rome

See M 171
EO DIST - 3 Oct 1945

trans. e/c

Action : Econ Sec (2)
Info : Chief Commr
Exec Commr

Spoke to Highland
8/10 10/10
emu

8/10 10/10
10/10

(CAR White)

Tel: 267

28 September 1945

Ref: 1512/0/ES

SUBJECT: Unauthorized Allocation of Coal, Liguria Region

TO : Regional Commissioner, Liguria Region

1. The following report has been made to the Chief Commissioner by the Economic Section with respect to the matter of coal allocation in Liguria Region:

"a. Contrary to the policy laid down, in agreement with the Italian Government, by the Headquarters and in contravention of orders issued, AMG Liguria Region have authorized the issue of Gas Coal for the following Gas Works, viz:

San Remo	130 tons per month
Savona	300 " " "
La Spezia	230 " " "

"b. Major K. C. Wilson, Regional Industry Officer, was present at the meetings of the Milan Coal Committee, to the personal knowledge of the writer when it was definitely laid down that for the time being, owing to the world shortage of coal, and the small quantities being imported into the North, no coal was authorized for the reactivation of Gas Works. Later at a meeting of the Coal Requisition and Allocation Committee held in Rome on 31 August 45, minutes of which were sent to the Liguria Region, it was decided that the Gas Works should be started not earlier than 15 November 45.

"c. The case of La Spezia would seem particularly flagrant as in this case the local AMG Supply Officer, Capt. Corwin, acted without any authority from his own Headquarters and issued 230 tons per month for Gas Works, which I found were working merrily.

"d. In view of the general order prohibiting reactivation before 15 November, it will be appreciated that local action of this nature has done a great deal of harm, particularly in the other towns and cities of the North who are all awaiting permission to restart."

2. A very serious view is taken of this matter. It is directed that you inform this headquarters relative to the position and your re-

BU 10/10
Emu
H. T. J.

2309
SEE FILE 4M/69

(CAPT WHITE)

1648

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

785017

commendations as to appropriate action that should be taken not only as it affects the officers directly concerned, but officers responsible for their supervision.

BY COMMAND OF THE CHIEF COMMISSIONER:

167
/s/ M. S. Lush

Brigadier
Executive Commissioner

1649

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

785017

HEADQUARTERS ALLIED COMMISSION

APO 394

Office of the Executive Commissioner

166

Ref: 5016/166

168

29th September 1945.

I have written officially about coal distribution in your Region for October. If the report is correct there is lack of understanding and control somewhere. Will you take a personal interest and let me have facts.

M. S. LUSH.
Brigadier.
Executive Commissioner.

Colonel J.C. Selby, MC.,
Regional Commissioner,
Liguria Region.

(C. H. W. H. H. H.)

2

7016 2/168

See F 168

2367

1650

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

785017

EC

File

163

Ref: ES/15.12/0

25 September 1945

My dear Mr. Ambassador:

This is in connection with your letter relative to the question of Italian representation in the European Coal Organisation.

For your information, attached is a copy of a letter from the Italian Ministry of Foreign Affairs, reference 6/3206/1500 of 8 September 1945, and of Allied Commission reply ES/15.12/0 dated 22 September 1945.

This is the latest information I have on this subject.

Sincerely,

/s/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

The Honorable Alexander Kirk
The American Ambassador
119 Via Vittorio Veneto
ROME

(See m(161-164)
2366
11/2/45
1/9

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

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

Ref: RI/15.12/0

LDD/cc
22 Sept. 1945

SUBJECT: European Coal Organisation

TO : Ministry of Foreign Affairs
Italian Government
ROME

1. Your letter 6/3206/1509 of 8 September is referred to.

2. As we understand it, the plan for representation of Italian interests on the European Coal Organisation as stated in the first paragraph of your letter is correct. The Allied Commission representatives have not yet been selected; however, when appointments are made, you will be notified. You may be certain that the best interests of Italy will be carefully considered and adequately presented to the Coal Organisation.

(sgd) L. D. B. ESQUIRE

E. B. MCKINLEY
Brigadier General, USA
Acting Vice President

cc: Admiral Stone

Aut 2385

1652

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

785017

Chief Commissioner.

Approved
Attached is submitted for your signature
information

Mr. Lids.

Noted by CC 2364
[Signature]

1653

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

785017

2303

Ex-Care

(4)

Reference is made to the letter as follows:
10 Sept. Please see folios 2 & 3 for action taken by
Gen. del. C. This matter was of interest to the C.C.

by 21/9
C.M. 20/9

1654

785017

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

5016
Ne.

1625
3

Tel. 460

HEADQUARTERS ALLIED COMMISSION
APO 334
Economic Section

TM:jcs

Ref: 43/15.12

19 September 1945

SEP 20 1945

SUBJECT: Lignite, Request for.

TO: Chief Commissioner
(Through Executive Commissioner)

1629

1. Reference R/6484, 10 September 1945, from Regional Commissioner, Lombardia Region.

162C

2. Attached is reply telling the Regional Commissioner that transportation is available and showing where rail bids should be placed to ensure movement of the lignite.

3. Original refusals to ship lignite to the north were based upon the uneconomic use of transportation and the planned availability of imported coal for the north. Upon review it is now believed that the surplus accumulations of lignite should be moved to the north and appropriate instructions have been issued.


B. B. MCKIMLEY
Brigadier General, USA
Acting Vice President

See File #

R332

2/9

1653

785017

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

HEADQUARTERS ALLIED COMMISSION

COORDINATE UNIT COMMISSION
COAL DIVISION
APO 394

JAP/DT

Ref : 327

17 September 1945

Ref : AG/CD/402/Comares.

Subject : Request to move 20,000 tons Lignite from Valdarno
Mines to Milan
Regional Commissioner

To : Mr. A.N.C. Lombardia Region.

1. Your letter Ref : R/G.S. is acknowledged and noted.
2. Transportation S/O have agreed to the movement of this Lignite and we return Transportation-Sid Forces for Railway wagons from Florence to Milan. These bids should be made for a definite number of rail wagons each day, and should be renewed weekly as required. They should be presented at Office of Mr. Ciellini. Capo Compartimento, Florence.
3. Trucks for Road Transportation of the Lignite from Valdarno Mines to Florence have been arranged between the U.L.S.D. Company and local Transport Company through S.M.A.O.

for La Russell
P.R. WINS
Colonel
Coal Division.

Copy to :
Chief Commissioner.
Transportation Sub-Commission A.C.
Rep. of Chief Commissioner, Milan
Economic Section.

See 362

2361

1656

785017

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

1628

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
COMMERCIAL SERVICE
APO 3 1

13 SEP 1945

10 September 1945

R/CHS

5304/17 8

SUBJECT: Lignite, Request for
TO : Commerce Sub-Commission
Headquarters, Allied Commission

1. Herewith is a renewal of the request submitted by the S.I.S.I. Company, producers of lignite. They desire to ship the 20,000 tons of dry lignite from their mines at Valdarno to Florence by truck, then by rail to Milan.

2. The first request was turned down by your Sub-Commission on the grounds that all lignite is being sent to Central and Southern Italy. We have investigated the facts surrounding this particular mine and find that none has been moved.

3. It has been the practice for years to ship lignite from Valdarno to Milan for cooking purposes. And inasmuch as it will mean a saving of an estimated 10,000 tons of good coal, according to the coal experts, which can be put to a much more appropriate use in industry, we can see no reason why our request should not be approved. Merely because at great sacrifice we are bringing Allied coal to Italy, we should not ignore the full exploitation of local resources. At least as it seems to me.

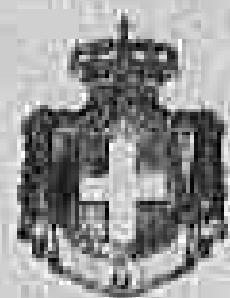
4. The Transportation Sub-Commission agrees that they can try on both the required number of motor trucks and rail wagons to do the job at once.

5. Why not restore the normal economic movement of goods. Surely AMG-AC does not wish to impede. Your early approval of this request is desired.

Charles Poletti
CHARLES POLETTI
Colonel
Regional Commissioner
14 SEP 1945

Copy to:
Chief Commissioner
Transp. Sub-Commission, AG
Rep. of Chief Commissioner, Milan.

Coal Division 120 22	
Col. Lewis	2360
Li. Col. Lewis	
Col. B.	
Li. Col. B.	
Chief Clerk	
Mr. Gordon Gibson	
Mr. Gordon Gibson	



5016.50
DUPLICATE

SEP 13 1945/60
6/3206/1500

Ministero degli Affari Esteri

MEMORANDUM FOR THE ALLIED COMMISSION

Subject: European Coal Organization -

1. Minister De Gasperi, with letter n° 44/12122/28 of July 6th, 1945, warmly requested Admiral Stone to interest himself in that Italy be made a member of the European Coal Organization. Pursuant to this request, the Foreign Office have addressed on August 27th a Note Verbale to the Italian Embassy in London in which, without prejudice to an eventual admission of Italy to the aforesaid organization, it is stated that, for the time being, her needs in the field of coal could best be illustrated within the Coal Organization by a British and American official of the Allied Commission. The latter would act as Counsellors of the representatives of their respective Governments in all questions connected with the allotment of coal to Italy.

2. The Ministry for Foreign Affairs would be therefore very grateful if the Allied Commission would kindly provide, as soon as possible, to the appointment of the aforesaid officials. *MW*

Rome, September 8th, 1945

E.C. Dist

2359

1658

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

785017

5016

159

To: COMNAVSTA (OPS) FOR PALERMO RPTD ALCON TO PALERMO

5085

10 September 1945

ROUTINE

SEP 12 1945

UNCLASSIFIED

PARA ONE PD SUBJECT IS ALLOCATION DIESEL OIL AND COAL SICILY PD REFERENCE YOUR SIGNAL SIX SEPTEMBER ONE NINE FOUR FIVE PD

PARM COMNAVSTA (OPS) FOR PALERMO RPTD ALCON TO PALERMO FROM ALCON UTE AOSCO PARM

PARA TWO PD SHORTAGE HYDROELECTRIC PLANTS SICILY NOT UNDERSTOOD IN VIEW LAST REPORTED STOCKS WHICH ON ONE SEPTEMBER WERE AS FOLLOWS COLOR IMPORTED EAST SICILY THREE EIGHT SIX THREE CMA SARDINIAN EAST SICILY NINE ZERO TWO FOUR CMA IMPORTED WEST SICILY FOUR FIVE SIX ZERO CMA SARDINIAN WEST SICILY FIVE SEVEN EIGHT EIGHT PD

PARA THREE PD IN ADDITION FOLLOWING VESSELS SHOULD HAVE ARRIVED COLOR BARTLEPOOL CMA PALERMO CMA FOUR ZERO ZERO ZERO IMPORTED SEMICOLON TAKINGO MADJIPATERIAS CMA CATANIA CMA FIVE ZERO ZERO ZERO SARDINIAN SEMICOLON AND IN ADDITION CMA KAVARCHOS

DONDIORLOTIS CMA DUE CATANIA ONE ONE SEPTEMBER CMA FOUR FIVE ZERO ZERO IMPORTED PD

PARA FOUR PD NO POSSIBILITY REPLACING SARDINIAN COAL WHICH HAS BEEN USED IN ELECTRIC PLANTS FOR YEARS AND FOR WHICH PLANTS ARE ADAPTED PD

PARA FIVE PD TOTAL MONTHLY ALLOCATION OF ONE FIVE ZERO ZERO ZERO TONS IMPORTED AND ONE SIX ZERO ZERO ZERO SARDINIAN COAL IS MAXIMUM AND MUST BE DISTRIBUTED TO

2358

(2894 ALNOLOV) (uncl)

1659

785017

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

SCHEMATIC (OPS) HAS VALUE NOTE ALONG 10 PALMERS

5005

10 September 1949

ROUTINE

BEST ADVISABLE BY AUTHORITY PD

PARA SIX PD PLEASE REFER OUR SIGNAL FOUR EIGHT NINE SEVEN ONE SIX SEPTEMBER ON
ALLOCATION OF BIRCEL OIL PD

PARA SEVEN PD REQUEST YOU CONTACT ALONG LIAISON OFFICER PALMERS IF FURTHER
INFORMATION DESIRED PD

Economic Section

546

NICHOLAS PIERBINO
CNO. USA
ASST. ADJUTANT

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

5016
Ref: 5016/154/EC.

11 Sept. 45.

Subject: Routing of Correspondence.

To: AG Liaison Officer,
PALERMO.

I am directed by the Executive Commissioner to instruct you to approach the Naval authorities at Palermo and ask them to address all correspondence to this HQ through your office. We have lately received a signal dated 6 Sept. from COMNAVNAV (OPS) NOB Palermo addressed direct to Allied Commission through Rome Area Allied Command.

E. TALBOT

CSO
To Executive Commissioner.

2356

1661

785017

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

5016

154

RESTRICTED

867
SEP 07 1945

F/6357
SEP 07 1945
ROUTINE

From: ACTPT MILAN

SEP 11 1945

To: REG TN OFFICE SENOR INFO MAIL OFFICE SENOR. ALCON CTR ACTPT
ROME

RESTRICTED

Understand from ROME that HUGE coal dump has accumulated
at SAVONA. Arrangements must be made for rail clearance of this
with utmost urgency. Report action being taken.

List

- Info-action - Tn SC 2
- Info - Chief Commissioner
- Econ Sec 3
- Coal Div
- File 2
- Float

RESTRICTED

2355

See 116

(CSO)

1662

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

785017

Ref: 5016/EC ✓

8 Sep 45

SUBJECT: Coal - Sicily.

TO : A/VP, Economic Section.

I should like to know what action is being taken on cable Z/6781 dated 7.Sep.45 from CGNAVNAV (GPS) HQB PALERMO. I wish we could get the naval authorities, Palermo to correspond through the Liaison Officer.

M S. LUSH

Brigadier,
Executive Commissioner.

MSL/JG.

C. S. O.

Write to ACHO & ask them to
persuade Naval authorities to use proper
charts.

Mr [initials]

2354

1663

785017

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

152

SEP 06 1950

7/6781
SEP 07 1950
ROCKING

COMMUNIST (CUBA) FOR PALERMO
HEAD FOR ALLIED COMMISSION, COMNAVSTA (CUBA)

UNCLASSIFIED.

Due to extreme drought practically all hydroelectric plants in SICILY are inoperative. Most thermal electric plants burn coal and are operating only at low efficiency due to lack of coal or low quality Sardinian coal. Increased allocation of diesel or coal to take some load off electric company because some islands have alternate diesel power supply and could use local diesel generated power in lieu of power from electric company. City of CATANIA now without electricity due to lack of coal. Imperative that quantity and quality coal supplied SICILY be increased as soon as possible. Situation SICILY different from north due to drought which is worst in many decades. Living conditions not good will be worse unless relief is given power company on which so many industries and municipalities depend. Recommend ALLIED COMMISSION take immediate measures to correct situation. The urgent need is now and until some days after rains come.

DIST

ACTION INFO
INFO
PR & U
COML DIV
PR 22 2
FILE 2
FLOAT

2358

1664

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

785017

Final
15/11
ERS

200

See sec 199 for info

ERS
14/11

201

Note

Ref 197: checked. Cool: draft reply
on its way. B.V. 20/11 if not recd.

ERS
21/11

2352

1665

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

785017

SV
Position
here ? BU
19/10
M. Sedm
~~127~~

1668

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

785017

Ext 451

ABA/el

151

Ref: 5016/151/EC

10 September 1945

MEMORANDUM:

TO : Economic Section

1. Reference is made to our memorandum 5016/145/EC of 1 September in which a copy of Colonel Green's report on the Sardinian coal mines was sent to your section. It was requested that this report be studied and that your comments be submitted on your file with a draft reply to the United States Ambassador's two letters of 14 and 28 August 45.
2. May this office be informed what progress is being made in connection with this matter?

Chief Staff Officer
To Executive Commissioner

4/10 spoke to Prof. Anderson's office which had been told of reply which Anderson promised to follow up to us and get some-thing done

*16/10
17/9
Noted*

2351

785017

COPY

TO TROOPERS RPTD FOR INFO PREMEX AND AGWAR

4519

20 AUGUST 1945

PRIORITY

RESTRICTED PD

SUBJECT IS ISTRIAN COAL YOU SIX NINE SEVEN ZERO TWO ONE SIX PD

PARA ONE TO TROOPERS RPTD FOR INFO PREMEX AND AGWAR FROM AGECO PAREN

PARA ONE PD ALLIED MEMBERS JOINT ECONOMIC COMMITTEE TRIESTE REQUESTED JUGOSLAV

DELEGATES TO ALLOW ALLIED MINING EXPERTS TO INSPECT AND ADVISE ON PROMPT

DEVELOPMENT ISTRIAN MINES PD REQUEST REFUSED PD

PARA TWO PD PRESENT OUTPUT ONE ZERO ZERO TONS PER MONTH COAL USED LOCALLY COAL AND

NO INDICATION OF STEPS BEING TAKEN TO INCREASE PD THERE ARE NO RAIL CONNECTIONS PD

COAL CAN ONLY BE MOVED BY SEA PD ISTRIA CHANNEL NOW BEING SURVEYED BY NAVY PD

PARA THREE PD JUGOSLAVS ESTIMATE MAXIMUM PRODUCTION TO BE THREE ZERO ZERO ZERO

ZERO TONS PER ANNUM PD IT IS THOUGHT THAT THIS IS NOT ACCURATE SAY THEY PRODUCED

ONE ZERO ZERO ZERO ZERO ZERO TONS PRE WAR PD JUGOSLAV NEEDS DIFFICULT TO

ESTIMATE BUT IF LATTER FIGURE WERE ACHIEVED THERE SHOULD BE CONSIDERABLE EXPORTABLE

SURPLUS PD

PARA FOUR PD AT LAST MEETING JOINT ECONOMIC COMMITTEE JUGOSLAV DELEGATES ASKED FOR

THREE ZERO ZERO ZERO TONS SHIPPING FOR CONSTANT USE FROM ARSA FORT TO JUGOSLAV PORTS

COAL STATING IF COAL PROVIDED TOGETHER WITH NECESSARY EXPLOSIVES COAL THEY EXPECTED

WAS AVAILABLE FOR ITALY TWO FIVE ZERO TONS PER DAY PD THIS REQUEST UNDER CONSIDER-

ATION SHIPPING AUTHORITIES ASSESS FOR NOW WISE PD

PARA FIVE PD REPRESENTATIONS IN BELGRADE ON LINES OF PARA ONE ABOVE CONSIDERED DESIR-

ABLE PD

2350

Copy to : Exec Com (4 Sept 45)

Economic Section

237

Brig. D.L. ANDERSON

NICHOLAS PIGNINO
CNO, USA
Asst. Adjutant

(CAPT ARNOLD)

1668

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

785017

69702 (2) 10
AGC 17/1930 B

8/5677

1-29

7a

AUGUST 26/2050B

IMPORTANT

PSV

TECHNICAL

ALCOA RHP INFO THE DAY WASHINGTON

RE-VERIFIED.

SUBJECT Istrian coal.

1. Please report earliest present state of negotiations with Yugoslavs on joint economic TRIESTE committee or elsewhere and what are prospects of obtaining Istrian coal for ITALY.
2. Are Yugoslavs themselves able to use maximum production or do qualitative or transportation factors prevent this.
3. Advise whether in your view of representations in BELGRADE would be of assistance.

DISC

WORK : COAL DIV

INFO : CHIEF COMMISSIONER
ECON SEC (2)
TN SEC (2)
FILE (2)
FLOAT

SEE F. 150

2-19

1669

785017

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

5016

EC
148

3 September 1945

SEP - 4 1945

Colonel Densmore:

The Chief Commissioner wishes to know what action has been taken
in regard to this matter.

L. W. S.

1 Incl: Ltr of 1 Sep 45 from Mr. Kirk,
re Italian-Polish coal negotiations

2348

(Capt. Anderson)

1670

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

147
EWS/dfc

3 September 1945

Dear Mr. Kirk:

146
This will acknowledge receipt of your letter of 1 September with regard to the Italian Government coal negotiations with Poland. In view of the urgency of the situation, I appreciate your having informed Colonel Densmore directly.

Sincerely,

/s/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

The Honorable Alexander Kirk
American Ambassador
119 Via Vittorio Veneto
Rome

2347

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

THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

AMERICAN EMBASSY

Rome, September 1, 1945.

CONFIDENTIAL

Dear Admiral Stone:

I received yesterday your letter dated August 25, 1945, with regard to the Italian Government coal negotiations with Poland and am pleased to learn that the Italian Mission will depart shortly for Warsaw.

With reference to the statement of policy expressed by the United Kingdom representative on the European Coal Organization, transmitted to you in the War Office message of August 22, you will recall that the somewhat similar views of the Department of State on this subject have already been brought to the attention of the Italian Government informally, as recorded in my letter to you dated August 7, 1945. I have reported the British viewpoint to Washington but assume that either the British Embassy or the Allied Commission will convey it to the Italian Government. In view of the imminent departure of the Italian Mission, I arranged to inform Colonel Denmore orally in the above sense today in order to avoid delay should you wish to take additional action promptly.

Sincerely yours,

/s/ A. KIRK.

Ellery W. Stone, Rear Admiral USNR,
Chief Commissioner,
Allied Commission,
Rome, Italy.

cc: Exec. Commr.
Econ. Section (Col. Denmore (3))

2346

147

SEE FILE

Ext 451

ABA/el

Ref: 5016/145/EC

1 September 1945

MEMORANDUM:

TO : Economic Section

1. The Executive Commissioner was in the course of sending a copy of Production Division's Memorandum 25/15.12 dated 24 August 1945 to the U.S. Ambassador in response to his letter of 14 August 1945 when a letter dated 25 August 45 was received from the Ambassador enclosing a further report on the Sardinian coal mines prepared by Colonel Green. copies attached.

2. An interim acknowledgment has been dispatched.

3. Will you please cause this report to be studied and thereafter submit on your file with comments and a draft detailed reply to the Ambassador's two letters of 14 and 25 August 1945.

4 incls:
as above

A. D. ARNOLD
Chief Staff Officer
To Executive Commissioner

6/10/45
23-15
6/9
Noted

1673

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

785017

5076 8

USA

30 August 1945.

AUG 31 1945

My dear Mr. Ambassador:

Thank you for your letter of 28 August 1945, enclosing a copy of Colonel Green's report on the Sardinian coal mines for the period August 6 - 11, 1945.

Sincerely yours,

15/ Ellery W. Stone
ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

The Honorable Alexander Kirk,
American Ambassador,
119 Via Vittorio Veneto,
Rome.

cc. Spec Commr.
cc files

See 145 2344

(CAPT ARNOLD)

1674

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

785017

144

Ref: 5016/144/EO

31 August 1945

MEMORANDUM:

TO : Economic Section (Attention: Acting Vice President)

1. Attached are Executive Commissioner Office's files 5016/EO and 4048/EO.

2. Attention is drawn to folio 116 on file 5016 -- a letter from the United States Ambassador to the Chief Commissioner regarding the question of Italian representation in the European Coal Organization. If you will notice, on file 4048 there is a letter from Major General A.C. Duff, Chief Administrative Officer, AFHQ, regarding the same question, as well as the Chief Commissioner's reply (folios 1-2 and 3 respectively).

3. In view of this, it would be appreciated if you would prepare a reply to Ambassador Kirk (for the Chief Commissioner's signature) forwarding it, together with the two files, to this office when ready.

2 Incls:
as above

Chief Staff Officer
To Executive Commissioner

received
4/9

2343

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

5816
AMERICAN EMBASSY

Rome, Italy
August 28, 1945

Rear Admiral Ellery W. Stone,
Chief Commissioner,
Allied Commission,
Rome, Italy.

AUG 28 1945

My dear Admiral Stone:

I take pleasure in sending you herewith for your information a copy of a further report on Sardinian coal mines prepared by Colonel G. A. Green following his second visit to Sardinia during the period August 6 - 11, 1945. A copy of Colonel Green's first report on the Sardinian mine situation (No. 105 dated June 30, 1945) was forwarded to you with my letter of July 2, 1945.

Yours sincerely,

/s/ A. Kirk

Enclosure:

Report on Sardinian Coal
Mines, August 6 - 11, 1945.

FREE FILE

DISTRIBUTION:

2342

Exec. Comm. (for Econ. Sec., Coal
Division) (3) (with only copy
of report)

CC Files

(CARR. ADM. 101)

1676

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

785017

5/16/6

142

EB Commissioner

Ref. ES/13.12/0

29 August 1945

My dear Mr. Prime Minister:

126 AUG 30 1945

1. Your letter of 23 August 1945 and enclosures dealing with the coal situation in Sicily are acknowledged. The figures of coal allotment are unfortunately at variance with the facts and I think you will agree when you have examined the figures given below that if we have erred at all in the allotment of coal to Sicily, we have erred on the side of generosity.

2. Firstly, the monthly allotment is not, as stated in your letter, but has been as follows for many months:

Imported coal	15,000 tons per month
Sardinian coal	16,000 tons per month.

140

Within Sicily, coal is distributed as shown on the attached schedule.

3. Secondly, there is at the moment no shortage of coal in Sicily. From information given by the High Commissioner in a cable dated 21 August, stocks held on the 18th of August were as follows:

	<u>Imported</u>	<u>Sardinian</u>	<u>Total</u>
East Sicily	3618	13901	16919
West Sicily	3815	5447	7262
Total	6533	17348	24181

This represents a 14 days' supply of imported coal and a 32 days' supply of Sardinian coal. In addition, the following ships are expected to commence the discharge of coal on the dates shown:

2341

s/s Fort Verecheres	4527 tons imported coal due Catania 17 August
s/s R. Walton Moore	4445 tons imported coal due Palermo 22 August
s/s Wisla	4500 tons Sardinian coal due Palermo 25 August
s/s Katingo Hadjipateras	5000 tons Sardinian coal due Catania 31 August

(CAPT. ARMY) [Signature]

1677

785017

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

- 2 -

144

4. The rate at which coal is now being imported into Sicily is about 370,000 tons per annum. The importation figure in 1939 was 314,000 tons and between the years 1935/36 the highest figure of imported coal was 500,000 tons per annum. You will see, therefore, that compared to pre-war days, Sicily is receiving very much more generous treatment than any other part of Italy and having regard for the world shortage of coal and the great difficulty there is in getting coal supplies for Italy, I think you will agree that the Sicilians have very little cause for complaint.

5. I would suggest that if one or another Sicilian user is going short of coal, the cause must be faulty distribution and I would recommend that the system be investigated.

Yours very truly,

/s/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Professore Ferruccio Parri
President of the Council of Ministers
Italian Government
Rome

2340

1678

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

785017

(140)

SCHEDULE "A"MONTHLY COAL ALLOCATIONS - SICILY

<u>USER</u>	<u>Imported</u>	<u>Sardinian</u>	<u>Met. Coke</u>
ISR Sicily	9,000	-	-
Palermo Electr.	2,200	800	-
Catania Electr.	1,000	5,000	-
P. Rapedocle Electr.	500	2,000	-
Palermo Gas	300	80	-
Catania Gas	230	30	-
Messina Gas	150	20	-
Trapani Gas	70	10	-
Aranella, Sicily	350	1,300	-
Palermo Cement	-	750	-
Villafranca Cement	-	900	-
Insulare, Catania	-	500	-
Sanderson, Messina	-	200	-
Sulphur Mines	200	100	-
For Allocation by High Commissioner	200	4,500	30
	<u>14,750</u>	<u>16,150</u>	<u>30</u>

2339

5016
HEADQUARTERS ALLIED COMMISSION
Office of the Chief Commissioner
APO 394

25 August 1945

My dear Mr. Ambassador:

127
AUG 29 1945

This is in reply to your letter 23 August relative to Italian Government negotiations with Poland concerning the possibility of obtaining coal in exchange for certain Italian exports.

137
As previously indicated, the Allied Commission has requested ECO to express its observations on the subject. Attached is copy of Message 3820 of 16 August to TROOPERS for ECO. Also attached is copy of reply from TROOPERS (Message 68620 CA 16(Coal) dated 22 August. Your attention is directed to the following statement in TROOPERS' reply:

138
"You should, however, make it clear to the Italian Government that any bids for coal from ECO or other sources will have to be accompanied by a statement showing the amount expected to be received from Polish sources."

Unless you inform me to the contrary, I will take it that you will convey the above information to the Italian Government.

With respect to paragraph 2(b) of letter (Ref. AC/5127/P/Commerce) dated 4 August 1945 from Commerce Sub-Commission to the Ministry of Foreign Affairs, it is confirmed that only essential food oils, classified as Category "A" items on the Reserved Commodity List, such as those oils used for food flavoring are subject to allocation by the Combined Food Board (Examples: Lemon oil, bitters, orange oil, sweet orange oil and tangerine oil).

We concur that the Italian Mission be permitted to leave immediately in connection with the Polish coal negotiations.

Sincerely,

73/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Copy to: British Embassy

The Honorable Alexander Kirk
American Ambassador
119 via Nomentana 216
ROME

2338
Copies to: Chief Commissioner (2)
Commerce, Foreign Trade Div.
Commerce, Coal Division
British Embassy
Economic Section, AC

RESTRICTED

68620 CALS(COAL)
AUG 221300A

COPY
F/1939
AUG 231300H
IMPORTANT

TROOPERS

NO ALCON INFO WASHINGTON

RESTRICTED.

Your 2620 16 August.

1. We consider this matter is not one upon which guidance of ECO should be sought at any rate in the first instance but rather the view of HMG.

ECO will be informed by the British member of general contents of your telegram and HMG viewpoint.

2. Accordingly we have consulted U KINGDOM representative on ECO and the U KINGDOM view is that proposed exchange is in principle one to be facilitated.

You should however make it clear to the Italian Government that any bids for coal from ECO or other sources will have to be accompanied by a statement showing the amount expected to be received from Polish sources.

3. We are repeating your cipher to British Army Staff WASHINGTON with copy of this reply.

DIST

ACTION: Room 303 3
INFO: Chief Commissioner
File 2
Float

RESTRICTED

2337

1681

785017

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

(137)

~~SECRET~~
~~XXXXXXXXXXXXXXXXXXXX~~

TROOPERS FOR EUROPEAN COAL ORGANIZATION

3620

16 August 1945

ROUTINE

URGENT PD

PARA ONE PD SUBJECT IS ITALIAN DASH POLISH COAL NEGOTIATIONS PD

PARA TWO TROOPERS FOR EUROPEAN COAL ORGANIZATION PD

PARA TWO PD THE AMERICAN EMBASSY ROME HAS INFORMED THIS HEADQUARTERS THAT ITALIAN EMBASSY WASHINGTON HAS PRESENTED MEMORANDUM TO STATE DEPARTMENT STATING THAT ITALIAN EMBASSY AT MOSCOW HAS DISCUSSED THE QUESTION OF INITIATING NEGOTIATIONS FOR IMPORTATION OF POLISH COAL IN EXCHANGE FOR ITALIAN GOODS WITH THE POLISH GOVERNMENT AND THIS HEADQUARTERS IS PREPARED TO FACILITATE PERMISSION FOR ITALIAN EXPERTS TO GO TO WARSAW OR POLISH EXPERTS TO COME TO ROME PD PARA THREE PD THE STATE DEPARTMENT HAS EXPRESSED ITS AGREEMENT WITH THE SUGGESTED NEGOTIATIONS SO LONG AS THE ARRANGEMENTS DO NOT INTERFERE WITH THE PLANS OF THE EUROPEAN COAL ORGANIZATION PD PARA FOUR PD YOUR OBSERVATIONS ARE REQUESTED PD

Economic Section

546

NICHOLAS PICCHINO
CWO, USA
ASST. ADJUTANT

COPY

2336

1682

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

785017

(135)

Ref: 5016/135/EC.

August 1945.

My dear Mr. Ambassador:

(134)

In reply to your letter of August 14th, I
attach a memorandum from the Deputy Vice President of
the Economic Section which answers the points raised
by Colonel Green.

Sincerely yours,

MILTON W. STONE
Rear Admiral, USNR
Chief Commissioner

The Honourable Alexander Kirk,
US Ambassador,
US Embassy,
ROME.

2335

1683

785017

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

Tel. 406

5018
HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION
PRODUCTION DIVISION

DLA:lrw

130

128A

Ref. ES/15.12

24 August 1945

AUG 25 1945

SUBJECT: Sardinian Coal Mines - Letter from American
Embassy dated 14 August 1945.

TO : Chief Commissioner

1. Paragraph 4 of Colonel Green's letter draws attention to the scarcity of consumer goods. Condition in Sardinia is no different to that which obtains throughout Italy and is probably better because during recent months the Italian Government has given the priority of supply to Sardinia in order to attract labor from the Mainland. However, supply is such that sufficiency for everyone is not available.

2. Reference para 5: The Italian Government asked that German POW be made available to work in these mines but AFHQ have not agreed. When the High Commissioner for Sardinia heard that German POW were to be brought over, he threatened to make a political issue out of the proposal. The High Commissioner is also politically opposed to importing Mainland labor for the Sardinian mines but in this he is being overruled by the Italian Government.

3. Reference para 6: It is not correct to state that none of the materials referred to in Colonel Green's report of 30 June have been delivered. The three most important items were Diesel Locomotive Injectors, Piping and Ball Bearings.

(a) Six locomotive injectors were sent to Sardinia by the A.Ca.I. in June. The manufacture of additional injectors was ordered from a machine shop in Rome. According to the A.Ca.I., these have been delivered and shipped to Sardinia.

(b) Pipe was procured for the Sardinian mines from two sources. Release was obtained for pipe from the War Materials Disposal Committee and also from British Stores. Release was to the A.Ca.I. holding company of the Sardinian coal mines and shipping was bid for through normal channels.

2334

See 11/131-132
130
F 135

(C. H. ARNOLD)

- 2 -

129

(c) Ball bearings for the Sardinian coal mines, to the extent of three shipments, have been received in Italy and transhipped to Sardinia during the past two months. In addition to these, ball bearings were located in North Italy and released to A.Ca.I.

(d) It should be pointed out that efforts are being made to force the Italian agencies to work for themselves and to assist them only after their efforts have failed.

4. Reference para 7: In a personal letter which General McKinley received from Washington, it was stated that scrapers could not be manufactured, delivered to Sardinia and installed under a period of 9/12 months. Unfortunately, I can not obtain access to this letter again until General McKinley returns. As soon as he does return, I would suggest that Colonel Green be shown the letter so that he may take such action in assistance to the obtaining of the machinery as he can.

5. Reference para 11: The continued functioning of the distillation plant has become a political issue between the High Commissioner for Sardinia and the Italian Government. The High Commissioner apparently threatens that there will be a general strike in Sardinia if the plant is closed down. The Italian Government do not appear inclined to press the matter too far although they are being pressed by us as you will see from the attached copy of a letter which is the last one sent to them.

6. Reference para 13: I am advised by the Food Sub-Commission that the calory value of the normal rations plus the supplementary rations which the miners are receiving is 2400. I presume therefore that Colonel Green refers to the calory value of the normal civilian ration which has no connection, it seems to me, with the output of the miners.

D. L. Anderson
D. L. ANDERSON
Brigadier
Deputy Vice-President

Attachment

2332

1685

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

785017

COPY

Tel. 406

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION
PRODUCTION DIVISION

DLA:lrw

128

Ref. ES/15.12

10 August 1945

SUBJECT: Closing of the Coal Distillation Plant at
S. Antioco

TO : Dir. Gen. of Industry and Mines, Div. VII
Ministry of Industry and Commerce
Italian Government
Rome

1. Receipt is acknowledged of your memorandum N. 2223 dated 31 July 1945 setting forth the reasons for not closing the above mentioned Distillation Plant. Your statement that the Plant was allowed to resume its activity by the Allied Authorities is not understood as you have been continuously pressed by the Allied Commission to cease its uneconomical operation.

2. The proper method to prevent spontaneous combustion in the 30,000 tons of coal lying at S. Antioco Harbor would be to turn it over and not to consume it wastefully in the Distillation Plant.

3. It is to be hoped that your efforts to have the Plant closed down will succeed.

/s/ D. L. Anderson

D. L. ANDERSON
Brigadier
Deputy Vice-President

Copy to:
Chief Commissioner
Executive Commissioner

2330

COPY

Rome, Italy
August 14, 1945

128A

My dear Admiral Stone:

AUG 28 1945

Thank you very much for your July 27th letter concerning the Sardinian Coal Mines. Green has just returned from a second visit to these mines. His comments in connection with certain of the points as enumerated in your letter follow.

"4. The only consumer's goods available for sale in Carbonia are 2,000 pair of repaired shoes which have just arrived and for which no selling price has as yet been established. There is no part worn clothing for sale. The Coopertiva have a small amount of printed cotton cloth suitable for women's dresses. This is being sold at 320 lire per meter.

5. The Italian Government are opposed to the employment of German prisoners of war in the mines since they are of the opinion that sufficient Italian labor can be made available. This may be true but working conditions in the mines are such that the labor turn-over for the new workers is excessive. In the last sixty days Carbosada has hired a total of 1732 additional men. 956 of these men have either left or been discharged. The net increase is, therefore, only 776.

In the vicinity of the mines there is accomodation for a maximum of about 8,000 prisoners of war, but repairs are necessary to the buildings, specifically the kitchens and latrines. The light and water supplies would also have to be refitted. The cots etc. were removed by the Italian military authorities. I was informed that the cots could probably be obtained from Cagliari.

6. I was informed by the Mine Management that to date none of the materials referred to in my June 30th report have been delivered.

7. The Mine Management are interested in obtaining scraper equipment. It is hoped that everything possible will be done to bring this about. I have had considerable experience in Washington in connection with the obtaining of mining machinery for the U.K. deep and surface mines. I am of the opinion that the scraper equipment could be made available in less than twelve months. I should be very glad indeed to work with AC in connection with the procurement of this machinery.

11. To save coal, I am convinced the Distillation Plant should be promptly closed. The major output from the plant is coke, but the sulphur content is too high for many of the more important industrial uses. About fifteen percent of the high sulphur coke is mixed with good quality coke for use in various types of smelting. The balance of the coke is used for heating purposes where coal would be equally satisfactory. Currently the Distillation Plant is carrying stocks of

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see 130

approximately/.....

- 2 -

(128B)

6,000 tons of coke. It should be noted that with the exception of the gasoline and small quantity of the furnace oil, all fuels and lubricating oils which are obtained from the Distillation Plant are so high in sulphur that they are shipped to Leghorn or Padua for further refining, after which they are put on the market.

13. Since rations are distributed through the Cooperativa, it would be a simple matter to have the local AC officer report the detail distribution weekly. The Cooperativa places prominently on display a list showing each week the rations which are to be made available. Currently the miners appear to be getting their supplementary rations, but the normal consumer's ration is insufficient. This week the total daily calory value will be 752."

Yours sincerely,

Rear Admiral Ellery W. Stone
Chief Commissioner
Allied Commission
Rome, Italy.

2328

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785017

Mr. Picken:

We sent a note to Col. Densmore
together with 3 copies, asking whether
or not there was any objection to the
proposals.

T/E Edmiston

THE FOREIGN SERVICE OF THE
UNITED STATES OF
AMERICA

AMERICAN EMBASSY

Rome, Italy,
August 23, 1945.

CONFIDENTIAL

Rear Admiral Ellery W. Stone,
Chief Commissioner,
Allied Commission,
Rome.

AUG 25 1945

My dear Admiral,

I refer to my letters dated August 1 and August 7, 1945, regarding the desire of the Italian Government to negotiate with Poland and Czechoslovakia concerning the possibility of obtaining coal in exchange for certain Italian exports.

As was stated in earlier communications, the United States Government views favorably the undertaking of these negotiations without unavoidable delay, provided that any arrangements reached would not conflict with the plans of the European Coal Organization for the orderly distribution of European coal resources and, consequently, that the recommendations of the ECO be sought before final arrangements are made. I understand that the Allied Commission has already requested ECO to express its observations on the subject.

I am now in receipt of a communication from Washington in which it is pointed out that the Italian Government sees advantage in commencing discussions with Poland at the earliest possible date, in view of recent Polish commitments to Sweden and Russia in respect of coal, and that the Department of State approves departure of the Italian mission for Poland as soon as possible. The Department has conveyed this view to the Italian Embassy in Washington.

Specifically, the Department of State suggests that the Italian mission be permitted to leave immediately, inasmuch as the Italian negotiators could receive any recommendations which might be made by the European Coal Organization after the mission arrives in Poland or actually commences discussions.

In connection with the possible export of Italian products to Poland, and with reference to paragraph 2(b) of a letter dated August 4, 1945 addressed by the Commerce Sub-Commission to the Ministry of Foreign Affairs on this subject (Ref. AC/5127/P/Commerce), I should like to note my understanding that only essential food oils, as distinct from essential oils in general, are subject to allocation by the Combined Chiefs of Staff.

Sincerely yours,

2327

CC DIST:
Economic Section (3)
Executive Commr
CC Files

/s/ A. Kirk

SEE F.139

(CAPT. ARNOLD)

(1 SPARE COPY)

Translation

The President of the Council of Ministers

n. 590

Rome, 23 August 1945

3 enclosures

AUG 24 1945

My dear Admiral,

the High Commissioner for Sicily told me that the situation of the island is getting very serious because of the lack of coal.

The monthly allotment has still been kept at the level established in September 1944, of 11500 t/ per month, of which 7800 of Sardinian coal of indifferent quality; this amount which was then thought indispensable to cover the most urgent requirements, is really inadequate; the situation is made still worse by the exceptional draught of this year which has greatly reduced the amount of power which can be produced by the hydroelectric power plants, and makes a greater distribution of power necessary, on the one part of the thermoelectric plants, and therefore implies the use of more fuel.

This difficult situation has made it necessary to reduce still further railroad traffic and suspend the supplying of electric power to many industrial concerns, including those which are most useful for civilian life (mills, manufactures of pasta, etc.) as from the enclosed signals sent by High Commissioner Aldisio.

All this is causing a state of misery among the population of the island, and therefore unrest; the consequences cannot be foreseen, and appear to be getting worse every day.

For this reason, I beg you, my dear Admiral, to see without delay that the Economic Section of the A.C. (Brig. Gen. Anderson) grants the urgent request made by our Ministry of Industry and Commerce, to have the coal supplies to Sicily normally raised from 11500 to 15000 t/ per month, and, above all, to issue orders for the shipping of extra coal to the harbours of the island for the month of August.

Thanking you for whatever you will do to settle this difficult situation, I remain,

Yours sincerely,

S. Ferruccio Parri

Admiral Stone
Chief Commissioner
Allied Commission
R o m e

trans. e/o

(CAPT. ARNOLD)

(Only Two Encs)

Translation

(25)

C O P Y

of the signal sent from Palermo on 18.8.1945 at 13 hours
received at 12.30 hours on the 19th.

PRESIDENCY COUNCIL MINISTERS - MINISTRY OF INDUSTRY AND COMMERCE
- FOOD MINISTRY ROME (Cab. Pz. Am)

N. 5723 Cab. Though this High Commissariat strongly insisted to have the coal supply for Sicily, for General Electric, increased, Ministry Industry Commerce states the Allies refused any increase whatever, even small. All water supplies are exhausted in the island, and the usual allotment of coal hasn't even arrived. The production of electric power has therefore become impossible, and to-morrow, many industries, including those destined to the alimentation of the population such as mill, manufactures of pasta, will come to a standstill. In particular, the Prefect of Ragusa reports communication about suspension of power supply on the part of 'Generale Elettrica' and paralysis of agricultural activity, milling and mining industry, hospitals and nursing centres. Prefect of Caltanissetta reports suspension of power supply to sulphur mines where about two thousand five hundred miners are at present unemployed. The consequences may be very serious for every industrial activity also because of the state of mind of the population which is quite exasperated. Beg to make a last supreme effort with the Allies to avoid general unrest the consequences of which it is impossible to foresee.

HIGH COMMISSIONER ALDISIO

trans. s/c

2325
See F 126

Translation

C O P Y

of signal sent from Palermo 11 20.8.1945 at 14.30 hours
received at 1 hour on the 21st.

PRESIDENCY COUNCIL MINISTERS - MINISTER OF INDUSTRY COMMERCE AND LABOUR
- MINISTER OF TRANSPORTS - ROME - (Cab. Pza Am.)

10855 Approv. As coal failed to arrive, State Railways had to reduce passengers trains and goods traffic, which were already small, for requirement of regional exchanges. The coal stock which is to arrive represents barely one fourth of the general monthly requirement allotted for the month of August. As I already said in a previous signal, the situation of the island is getting hourly more difficult in all sectors, for besides railroad traffic, all industries, including mills and pasta manufactures are coming to a standstill because of the lack of electric power. I beg you to take action, stressing the fact that the small amount of national coal which has arrived is mixed with plenty of stones and sand; this is bad for the plants and produces a smaller amount of power.

HIGH COMMISSIONER ALD1810

Trans. e/o

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

785017

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(123)

Ref. AC/5127/PO/Commerce

21 August 1945

AUG 22 1945

My dear Mr. Ambassador:

I wish to make further reference to my letter of the 6th of August on the matter of Italian - Polish coal negotiations.

Brigadier Anderson has now returned from London and he advised me the impression gained from the discussions of a general nature during his visit is that it would be an uneconomical use of shipping to supply Polish coal to Italy and that, if Polish coal were to be made available for use in Central and Western Europe, there would be a saving in shipping if it was used in the Scandinavian countries and if a corresponding quantity of British coal was diverted to Italy. Brigadier Anderson emphasizes the point that his conversations were purely informal. The European Coal Organization has been asked for their observations.

The Italian Government has meanwhile, submitted to the Economic Section of this Commission a list of commodities which it desires to export to Poland in exchange for coal. This list is in the process of screening as exportable surplus according to the requirements of paragraph 3 (a) of our letter, AC/5127/PO/Commerce, of 31 July to the Italian Prime Minister, copy of which was sent to you, whereas certain commodities will need to be reported to the Combined Boards in Washington for allocation according to the terms of paragraph 3 (b) of my same letter.

I am entirely in agreement with the Department of State's views to the effect that the Italian - Polish coal negotiations are rightly a matter for which arrangement should be worked out between Italian Government and Allied Commission. If the Italian Government desire to use post-liberation dollar accounts to effect part payment to the Polish Government, they would in the normal course have the

or 4025/EC

(CAPT ARNOLDY)

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U. S. bank or banks holding such accounts make a formal application for license to the U. S. Treasury Department. As the State Department indicates, the request will receive consideration. I shall be grateful if you will, therefore, inform the Department of State accordingly.

Sincerely,

/s/ Ellery W. Stone

ELERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Donatello Alexander Kirk
American Ambassador
119 Via Vittorio Veneto
Rome

cc: Chief Commissioner
Exec. Commissioner / E.W.U.
Econ. Sec., Supply Div.
Econ. Sec., Production Div.
Transportation
Commerce S/C
Finance S/C

2322

785017

THE QUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

DLA:GFM:LRW

18 August 1945

JUL 20 1945

TO : Assistant Chief of Staff
G-5 Section, AFHQ

1. At the fifth meeting of the Joint Economic Committee at Trieste on 10 August, the Yugoslav delegates asked if 3,000 tons of shipping for constant use could be made available to the Yugoslav Government, to move coal from the Arsa Port to Susac, Split and other ports on the Yugoslav coast. They stated that if this shipping were provided and also explosives which were required, they expected to be able to make available for export to Italy or elsewhere 250 tons of Arsa coal per day.
2. The Allied delegates replied that the question of shipping would have to be decided by AFHQ.
3. HQ, Allied Commission, are able to arrange for the supply of the required explosives, but do not wish to do so unless the promised coal is forthcoming.
4. Your views on the provision of shipping are requested.
5. A prompt reply is requested in order that further discussion with the Yugoslavs may take place at the next meeting on 3 September 1945.

D. L. ANDERSON, Brigadier.

D. L. ANDERSON, Brigadier
Chairman
Joint Economic Committee

Copy to:
Chief Commissioner
through Executive Commissioner ✓
Secretariat, Joint Economic Committee

2321

(CAPT ARNOLDY) ^{DA} ⁰¹

