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924.4

Acting President's Conference

Nov 1944 - Mar 1945

HEADQUARTERS ALLIED COMMISSION

ACTING PRESIDENT'S CONFERENCE - 8 MARCH 1945

PART I

1. Opening Address by the Acting President.
2. "New Deal for Italy". Address by Chief Commissioner.
3. Withdrawal from the South. Executive Commissioner.
4. Statement on Personnel and Transport. Deputy Executive Commissioner.

PART II

Regions

5. (a) Assignment of Officers. (EMILIA and other Northern Regions).
- (b) Policy on Implementation of Italian Government's Decrees in N. ITALY. (EMILIA Region).
- (c) Disposition of Truck Pools. (SOUTHERN Region).
- (d) Turnover of Food Distribution to Italian Agencies. (TOSCANA Region).
- (e) Pay of Statel and Parastatal Employees. (ABRUZZI MARCHES Region).

PART III

HQ AC Sections

6. (a) Economic Section.

- i. Granai del Popolo for 1945.
- ii. 500 gram ration and price of bread and pasta.
- iii. Inter-provincial movement of foodstuffs.
- iv. Derequisitioning procedure of industrial plants and prevention of their requisitioning.
- v. Payment for goods and services requisitioned by Allied Forces including AC/AF.
- vi. Taxation and financial stabilisation plans of the Italian Government.

4126

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PART III

HQ AG Sections

6. (a) Economic Section.

- i. Grandi del Prezzo for 1945.
- ii. 300 gran ration and price of bread and pasta.
- iii. Inter-provincial movement of foodstuffs.
- iv. Derequisitioning procedure of industrial plants and prevention of their requisitioning.
- v. Payment for goods and services requisitioned by Allied Forces including AG/AMG.
- vi. Taxation and financial stabilisation plans of the Italian Government.
- vii. Method of bidding for schooner movement.
- viii. Definition of the tasks of the Regional Food Officer.
- ix. Labour policy in AMG territory.

- 2 -

5. (b) Civil Affairs Section.

- i. Holding of local elections in AMG territory.
- ii. Transfer of further territory to the Italian Government.
- iii. Relationship of Displaced Persons & Repatriation Sub-Commission to Regions.

(c) Public Relations Branch.

1. Development of AC Public Relations in the field.

7. Any other business.

7 March 1945.

1796

Actual Report

In his famous speech of January 16th, 1945, the British Prime Minister referred to the "great populous districts of the North, the cities of Turin, Milan and other centres of industry and activity" and the large population of all kinds of political views including "great numbers of vehement or violent politicians". He foreshadowed an unhappy state of affairs when - probably at a time when the Northern Regions would be stripped bare of food by the retreating Germans - these elements would be thrown upon the "fragile structure of the Italian Government in Rome with consequences which could not be accurately foreseen and certainly not measured".

2. The experience of Greece has shown that the existence of organised groups of politically conscious patriots is a factor with which to reckon seriously. I do not think that I exaggerate in suggesting that during the last year forces have been coordinated in the North of Italy which after liberation will present a problem very different from any which the Allied Commission has had to handle in the past in connection with patriots.

3. Intelligence reports from the North show that the various

Committees of National Liberation and the military commands operating under the orders of the Committees have learnt a good deal about the art of government in the year-long struggle against the Fascists and the Germans. In many districts "shadow" Governments have been set up and the various portfolios have been distributed amongst the leaders of the different parties. In most cases the Committees represent the six parties which, up till last December, were represented in the Government in Rome. In some of the

Committees however the Action party is not represented and in others

Regions would be stripped bare of food by the retreating Germans - these elements would be thrown upon the "fragile structure of the Italian Government in Rome with consequences which could not be accurately foreseen and certainly not measured".

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cases the Committees represent the six parties which, up till last

December, were represented in the Government in Rome. In some of the

Committees however the Action party is not represented and in others

the Republican party forms part of the Committee. On the whole it

seems that for the time-being there is a remarkable degree of unity

of purpose in the Committees and party differences have been sunk in

the common desire to chase the Germans from Italy and punish their

Fascist collaborators. These Committees are, as you are aware,

assisted in their operations by the Allied Authorities and the

giving of such assistance has necessarily implied recognition of the

/value

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value of the operations. The military agreement between the Supreme Allied Commander and the CLNAI signed in December last, defines the extent to which the Allied military authorities are prepared to recognise the Committees.

4. Article 4 of the memorandum of agreement lays down that "when the enemy withdraws from territory occupied by them the CLNAI will exercise its best endeavours to maintain law and order and to continue the safeguarding of the economic resources of the country until such time as Allied Military Government is established. Immediately upon the establishment of Allied Military Government, the CLNAI will recognise Allied Military Government and will hand over to that Government all authority and powers of local government and administration previously assumed. As the enemy withdraws all components of the General Command of the Volunteers of Liberty in liberated territory will come under the direct command of the Commander-in-Chief, A.A.I., acting under the authority of the Supreme Allied Commander and will obey any order issued by him or by Allied Military Government issued on his behalf, including such orders to disarm and surrender their arms when required to do so".

5. The attitude of the Allied military authorities is therefore made quite clear. But there are other considerations which should be borne in mind when we come to implement the policy laid down in the military agreement which I have just mentioned. It is in the interest of the Allies that there should be stable Government in Italy and it is our policy to strengthen the legitimate Italian Government in every way possible and to prevent developments which would result in political disturbances throughout the country. We have every reason to believe that the Italian Govern-

4124

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/Italian

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Italian for a Southerner. There is the feeling that the population in the North has contributed more generously to the defeat of the Germans than the South has been able to do and has suffered far more heavily at their hands. There is criticism of the slow progress made by the Ronomi Government in the reconstruction of the country, in the solution of the pressing economic problems of food supply and inflation and above all in the punishment of former Fascists. The Italian Government are well aware of this antipathy and in an agreement signed simultaneously with the military ones already mentioned they go much further than the Supreme Allied Commander in recognising the CINAI as their representatives in the struggle in the North. They have succeeded by this agreement in exacting a certain measure of recognition of their own legality by the Committees in the North but the possibility cannot be overlooked that the Committees of Liberation or the component political parties will not abide by this agreement if circumstances seem favourable for a political upheaval which would either bring the Committees out as the Government of Italy or would wrest from the Government in Rome a measure of autonomy which might be in effect complete independence from Rome. The Italian Government are therefore anxious to establish as much contact as possible with the Committees in the North in order to be able to explain to them what is being accomplished in liberated Italy and what the Government propose to do in the North when the Germans have been driven out. The Allied Governments are generally in favour of the establishment of such contacts and hope that after liberation the Rome Government will be able to absorb representatives from the North and thereby become representative and therefore stronger.

6. The problem facing the Allied Commission therefore is as follows:

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6. The problem facing the Allied Commission therefore is as follows.

We must endeavour on the liberation of the North to reconcile the needs of military Government with the aspirations of the political leaders of the Committees of Liberation to self-government. At the same time, we must bolster up the authority of the Italian Government in Rome in order that they may be able to administer the Northern territories once Allied military Government is withdrawn. The solution of this problem may well be found to lie in the absorption at a very early date of members of the local Committees of National Liberation into

/the

- 4 -

the civil administration operating under Allied Military Government. If Regional Commissioners arrive in the North and bluntly inform the Committees of National Liberation that their task is accomplished and that they may now disperse and if, after that, prefects, mayors and other administrative officers are imported from the South or even from other localities in the North, the disappointment, the antagonism, I might even say, of the Committees of Liberation will be great. I cannot emphasise too much the danger of setting up local administrations composed of Italians who are not acceptable to the patriot organisations who have been struggling against the Germans for so long. I do not wish to imply that every local Committee of National Liberation should automatically be confirmed as the local administration, but I do urge that Regional Commissioners should, wherever possible, decide to make appointments in favour of the members of the Committees rather than in favour of strangers from other parts of Italy. If the local Committees of Liberation are installed at once as the local administration, many of the problems of maintaining law and order will never arise. It will be easier to collect arms from the patriots and to disband them. It will be easier to exploit the local resources of the country in the work of reconstruction and the work of feeding the population. It will be easier to bring together the former patriot organisations and the Italian Government and it will be easier to prepare the ground against the time when the Government in Rome will take over the administration of the North.

7. I realise that the lack of precise information about personalities in the North due to the clandestine nature of their activities in recent months will make it difficult for Regional Commissioners to assess the relative claims of members of the Committees of Liberation

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7. I realise that the lack of precise information about personalities in the North due to the clandestine nature of their activities in recent months will make it difficult for Regional Commissioners to assess the relative claims of members of the Committees of Liberation to participate in local Government. In order in some measure to offset this disability, I hope to be able to compile in the next weeks a sort of "Who's Who" which might prove useful to Regional Commissioners in the task of selection. It would assist us in this work of compilation if I could learn from this meeting whether the views I have put forward are generally acceptable and if so to what extent, that is, in what grades of the civil administration the Allied Military Government authorities would be prepared to absorb members of the Committees of Liberation in the North.

924.4

To: Mr. Titchener,
Deputy Head of Psychological Warfare Branch
(Liberated Italy), H.Q.

From: Mr. A.S. Halford,
Assistant Political Adviser, H.Q.,
Allied Commission.

Your minute of the 27th February.

I understand from the Office of the Acting President that no authentic text of the Minister's remarks at his Press Conference was available until after the conference. Even the draft from which he spoke was not ready until a quarter of an hour before the conference.

2. Mr. Macmillan's Office has undertaken however to let you have one of any advance copies of such speeches in future. Mr. Macmillan's remarks at his last Press Conference were purely informal and a transcript of them was only given to the press afterwards as an after-thought to guard against misinterpretation.

(A. S. HALFORD)
Asst. Political Adviser

5th March 1945

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HEADQUARTERS ALLIED COMMISSION

Office of the President

A P O 394

Mr Halford.

3rd March, 1945.

Mr Titchener's minute to you of the 27th February.

No authentic text of the Minister's remarks at his Press Conference was available until after the conference. Even the draft from which he spoke was not ready until a quarter of an hour before the conference.

2. But if, in future, there are advance copies Mr Titchener shall have one of them. Mr Macmillan's remarks at his last Press Conference were purely informal and a transcript of them was only given to the Press afterwards as an afterthought to guard against misrepresentation.

John Wyndham

4120

ALLIED FORCE HEADQUARTERS
INFORMATION AND CENSORSHIP SECTION
PSYCHOLOGICAL WARFARE BRANCH
ITALIAN THEATRE HEADQUARTERS
P.W.B. UNIT No. 12 U.S.A.P.O. 512

To : Mr. A. Halford,
Political Section, A.C.

From: Mr. Titchener

27th February 1945.

Would it be possible in future to always let me have advance copies of such texts of statements as Macmillan's Press Conference when they are available?

I have learnt that in this instance, the text was available several hours before the Conference itself, and it would have helped greatly our propaganda, if we could have had it in time to study and prepare in advance.



Deputy Head,
PWB (Liberated Italy) HQ.

Mr. Wyndham.
A/Pres. Office.

4119

Is this possible?

Yes
28/2/45

HEADQUARTERS ALLIED COMMISSION
APO 39L

Office of the Chief Commissioner

Ref: 216/45/AC.

26 February 1945.

SUBJECT: Acting President's Conference.

TO : Distribution Below.

1. The Acting President will hold a conference to discuss matters pertaining to the Allied Commission on 8 March 1945 at 1000 hours in the Main Conference Hall, Headquarters Building, Rome.

2. The following will be present:

Chief Commissioner.
Executive Commissioner and his Chief Staff Officer
Vice Presidents and their Chief Staff Officers
Directors of Sub-Commissions and their Deputies
DCCAC
Regional Commissioners and their Executive Officers
SCAO's Armies
Russian and French Representatives of the Allied
Commission.

3. It is essential that numbers of officers attending should be restricted and only those enumerated above will attend. The Press will not be present.

4. The object of the conference will be to discuss the present and the future, and not to record the activities of the Commission in the past.

5. The meeting will be divided into three parts:

Part I. Opening address by the Acting President, followed by the Chief Commissioner, on the subject of the New Deal for Italy.

Part II. Discussion of problems that Regional Commissioners would like to raise.

Part III. Discussion of problems that Vice Presidents of Sections would like to raise.

6. There will be no set Agenda, and, except in regard to Part I, it is desired that the meeting should be of a purely business nature. Regional Commissioners in Part II of the meeting will be asked to raise their points

4118

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Vice Presidents and their Chief Staff Officers
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6. There will be no set Agenda, and, except in regard to Part I, it is desired that the meeting should be of a purely business nature. Regional Commissioners in Part II of the meeting will be asked to raise their points in the following order:

SICILIA
SOUTHERN
SARDINIA
LAZIO-UMBRIA
ABRUZZI-MARCHE
VENETIA
PIEMONTE
LOMBARDIA
LIGURIA
EMILIA
TOSCANA

In regard to Part III of the meeting, Vice Presidents will be asked to raise their points in the following order:

VP, Political Section
VP, Economic Section
VP, Civil Affairs Section
VP, Establishments Section

Wm. V. Ford

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

DISTRIBUTION:

Acting President
Chief Commissioner
Executive Commissioner
Political Section
Civil Affairs Section
Economic Section
Establishment Section
Land Forces Sub-Com
Navy Sub-Com
Air Force Sub-Com
W.D. & IPW Sub-Com
Communications Sub-Com
Public Relations Branch
DOCAO

Amey S. Dvorn

8 Army
8010

RO, Sicilie I

HC, Gardinia Region;

HC, Southern Region

Lewie-Ubbels & Reijnders, *Journal of Macroeconomics* 2004, 26, 1-24

NO, DASHIQUINCHA REGION
 113, DASHIQUINCHA REGION

NO, ADVANCE-PLANNING
NO, TOSSED-DECK-ON

**THE
COLUMBIAN**

EU, Emilia Region
EU, Emilia Region
EU, Emilia Region

NC, Piemonte Region

100, Lombardy Region

neither directly, nor

NO, Venezia Region

Russian Representative to AG

French Representative to AC

747

[illegible]

Chas. V. Stone

ELERY W. STONE
Rear Admiral, USNR
Chief Commissioner

DISTRIBUTION:

Acting President
 Chief Commissioner
 Executive Commissioner
 Political Section
 Civil Affairs Section
 Economic Section
 Establishment Section
 Land Forces Sub-Com
 Navy Sub-Com
 Air Force Sub-Com
 WMD & IEW Sub-Com
 Communications Sub-Com
 Public Relations Branch
 DCCAO
 SCAO, 5 Army
 SCAO, 8 Army
 RC, Sicilia Region
 RC, Sardinia Region
 RC, Southern Region
 RC, Lazio-Umbria Region
 RC, Abruzzi-Marche Region
 RC, Toscana Region
 RC, Emilia Region
 RC, Piemonte Region
 RC, Lombardia Region
 RC, Liguria Region
 RC, Venezia Region
 Russian Representative to AC
 French Representative to AC
 File
 Float
 Spare

[illegible]

HEADQUARTERS ALLIED COMMISSION

APO 394

Office of the Chief of Staff

Ltr: 388.

12 January 1945.

SUBJECT: Appointments with Acting President.

TO : RA to the Acting President.

The following appointments have been made for interview with the Acting President.

12 January 1945.

1500 hrs. Col. Densmore,
Col. Legg.

Subject: No 1.

1530 hrs. Mr. Schmitt,
Mr. Hodgkinson,
Lt. Col. Campbell.

Subject: Status
of IPW.13 January 1945.

0900 hrs. Brig. Upjohn.

Subject: Impuration.

0950 hrs. Mr. Cleveland,
Lt. Col. Jerny,
Lt. Col. Thompson,
Lt. Col. Langer.

Subject: Housing, Roads
and Bridges
and Electrical
Reconstruction.

1000 hrs. Mr. Cleveland,
Mr. Vaughan.

Subject: Industrial
Reconstruction.

1030 hrs. Mr. Cleveland,
Mr. Taylor,
Col. Thomas.

Subject: Transport.

1100 hrs. Col. Geoffrey Smith,
Capt. Lawler,
Mr. Cleveland.

Subject: Live Account.

1150 hrs. Mr. Cleveland,
Col. Evans,
Maj. Breerton.

Subject: CIP and control
of oil.

1200 hrs. Col. Spicer.

Subject: Local Elections.

1230 hrs. Col. Chayman.

Subject: Carabinieri.

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4117

SUBJECT: Appointments with Acting President.

TO : SA to the Acting President.

The following appointments have been made for interviews with the Acting President.

10 January 1945.

1500 hrs.	Col. Denmore, Col. Legg.	Subject: Fed.
1530 hrs.	Mr. Schmitt, Mr. Hutchinson, Lt. Col. Campbell.	Subject: Status of POW.

11 January 1945.

0900 hrs.	Brig. Upjohn.	Subject: Duration.
0930 hrs.	Mr. Cleveland, Lt. Col. Jerry, Lt. Col. Thompson, Lt. Col. Lagger.	Subject: Housing, Roads and Bridges and Electrical Reconstruction.
1000 hrs.	Mr. Cleveland, Mr. Vaughan.	Subject: Industrial Reconstruction.
1030 hrs.	Mr. Cleveland, Mr. Taylor, Col. Turner.	Subject: Transport.
1100 hrs.	Col. Grubbs, Capt. Lowler, Mr. Cleveland.	Subject: Live account.
1130 hrs.	Mr. Cleveland, Col. Evans, Maj. Brecken.	Subject: CIP and control of oil.
1200 hrs.	Col. Spicer.	Subject: Local Elections.
1230 hrs.	Col. Chapman.	Subject: Carabinieri.

E. T. H. H.
Major,
Office, Chief of Staff.

DISTRIBUTION:

SA to CG.
Brig. UPJOHN.
Col. Denmore, Economic Section.
Political Section.
Mr. Cleveland, Economic Section.
Transportation Sub-Commission.

PT & Utilities Sub-Commission.
Finance Sub-Commission.
Col. Legg.
Col. Spicer.
Col. Chapman.

Mr. Halford:

Mr. Schott says IPOW S/C are preparing a draft on this, which they will show to us before final typing.

DMD
DMD

8 Jan 45

Good.

HA
8/1/5

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Chief Commissioner

Ref: 219/4/COS.

6 January 1945.

SUBJECT: Information for the Acting President.

TO : DCOS, CA Section
DCOS, Econ Section
DCOS, Est Section
VP, Political Section,
GOC, Land Forces Sub-Com.
Director, Communications Sub-Com.
R.P.O.
Rep., UNRRA.
Rep., IGOR.
Director, W&D & IFW Sub-Com.

*We have to prepare
a statement on
ROW in early by
Jan 9th. This is
done for ROW &c
then for us to do.*

1. The Acting President is anxious to acquaint himself on some of the more important items of the Commission's work. Some of these are defined on the accompanying list together with the Section or Independent Sub-Commission responsible and the office or officers who should, subject to agreement of Heads of Sections, present the information.
2. Heads of Sections and Independent Sub-Commissions will furnish to Chief of Staff by 9th January a short statement (not exceeding 500 words) on each subject, giving the salient facts and figures and will be ready to discuss at a personal interview with Mr. Macmillan on or after 10th January. The object of these interviews is two-fold: (a) to bring the Acting President up to date on the various subjects; (b) to afford the Acting President an opportunity of renewing his acquaintance with the officers and officials of the Sections and Sub-Commissions concerned.
3. The Acting President will wish to be informed of future progress in these matters and Heads of Sections and Independent Sub-Commissions will furnish further information thereon to Chief of Staff from time to time.

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

4116

Copy to: Acting President.
Chief Commissioner.

<u>Subject.</u>	<u>Section of Sub-Commission.</u>	<u>Officer Concerned.</u>
1. Food: (a) Generally, but especially the question of the 300 gramme ration. (b) Distribution.	Economic Sec. Food Sub-Com.	Col. Densmore (A) Col. Legg (B)
2. Status of Italian Prisoners of War in ITALY.	Political Sec. WD & PW Sub-Com	Mr. Hopkinson (B) Mr. Schott (A) Lt. Col. Campbell (B)
3. Epuration.	Civil Affairs Sec	Brig. Upjohn (B)
4. Housing. Repair of damaged houses and living conditions of the people	Public Works & Utilities Sub-Com	Lt. Col. Jenny (A) Lt. Col. Craig (B)
5. Roads & Bridges. What progress the Italians are making.	Public Works & Utilities Sub-Com	Lt. Col. Jenny (A) Lt. Col. Rhodes (B)
6. Transport. (Garvardini is said to have been promised 500 trucks in England). Motor tyres and bicycle tyres.	Transportation Sub-Commission.	Mr. Taylor (A) Col. Thomas (B)
7. Industrial reconstruction. For instance, what is happening to the Galito hydro-electric plant?	Industry Sub-Com Public Works & Utilities Sub-Com	Mr. Vaughan (A) Lt. Col. Jenny (A)
8. Local Elections.	Local Government Sub-Commission.	Col. Spicer (B)
9. Carabinieri. Their clothing, equipment and status.	Public Safety Sub-Commission.	Col. Chapman (A)
10. C.I.P. and control of oil in Italy.	Economic Sec. Commerce Sub-Com.	Mr. Cleveland (A) Maj. Brereton (B)
11. The Lira Account.	Finance Sub-Com	Col. Graffey-Smith (B) Comd. Lawlor (A)
12. Land Reform - especially in Southern Italy and Sicily.	Agriculture Sub-Commission	Mr. Allbaugh (A)
13. Statement of facts about, and of the limiting factors in Italian rearmament	Land Forces Sub-Commission.	Major-General Browning (B)
14. Civilianisation: (a) Progress in obtaining American civilians (b) Progress in obtaining British civilians	Establishment Section.	Col. Tiske (A) Lt. Col. Jones (B)
15. Italian Minister for Occupied Territory.	Civil Affairs Sec	Brig. Upjohn (B)

4. Housing. Repair of damaged houses and living conditions of the people
5. Roads & Bridges. What progress the Italians are making.
6. Transport. (Carrandini is said to have been promised 500 trucks in England). Motor types and bicycle types.
7. Industrial reconstruction. For instance, what is happening to the Galite hydro-electric plant?
8. Local Elections.
9. Carabinieri. Their clothing, equipment and status.
10. C.I.P. and control of oil in Italy.
11. The Lira Account.
12. Land Reform - especially in Southern Italy and Sicily.
13. Statement of facts about, and of the limiting factors in Italian rearmament
14. Civilianisation:
(a) Progress in obtaining American civilians
(b) Progress in obtaining British civilians
15. Italian Minister for Occupied Territory.
16. Question of enlistment into Italian Army of patriots who cross the line. Patriot policy generally.
17. Displaced Persons
UNRRA
IGOR

- Public Works & Utilities Sub-Com Lt.Col.Jenny (A)
Lt.Col.Craig (B)
- Public Works & Utilities Sub-Com Lt.Col.Jenny (A)
Lt.Col.Rhodes (B)
- Transportation Sub-Commission. Mr.Taylor (A)
Col.Thomas (B)
- Industry Sub-Com Mr.Vaughan (A)
Lt.Col.Jenny (A)
Utilities Sub-Com
- Local Government Sub-Commission. Col.Spicer (B)
- Public Safety Sub-Commission. Col.Chapman (A)
- Economic Sec. Mr.Cleveland (A)
Commerce Sub-Com. Maj.Swereton (B)
- Finance Sub-Com Col.Crauftey-Smith (B)
Comd.Lawler (A)
- Agriculture Sub-Commission Mr.Millbaugh (A)
- Land Forces Sub-Commission. Major-General Browning (B)
- Establishment Section. Col.Niske (A)
Lt.Col.Jones (B)
- Civil Affairs Sec. Brig.Upjohn (B)
- Land Forces Sub-Commission. Col.Kerr (A)
Lt.Col.Craig (B)
Civil Affairs Sec
- Displaced Persons UNRRA IGOR Col.Sindlay (B)
Mr.Keeny (A)
Sir Clifford Heathcote Smith(B)

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-2-

<u>Subject.</u>	<u>Section or Sub-Commission</u>	<u>Officer Concerned</u>
18. Communications.	Communications Sub-Commission	Col. Henderson (B)
19. Public Relations.	Public Relations Branch.	Maj. Fielden (B) Maj. Bergin (A)

Ext: 300

10 November 1964Ref: 216/1/008

SUBJECT: Acting President's Meeting.
TO : DCS, Civil Affairs Section,
VP, Political Section,
DCOS, Estab Section
DMS, Economic Section

1. The Acting President is holding a meeting on Monday, 20 November 1964, at 20, AS, at 11 a.m. for the purpose of discussing the problems of this Commission under the following main headings:-

- i. Economic problems.
- ii. Administrative problems.
- iii. Channels of Command.

2. The following are requested to attend:-

Colonel Pinks
Mr. Antolini
Brigadier Upjohn
Mr. Parkinson
Mr. Schott

Major General Lewis and Brigadier General Spafford from AFHQ have been invited to attend this meeting.

3. The economic problems will be discussed in the morning before lunch, and the other two in the afternoon.

4. Will you please submit to this Office by midday tomorrow a list of the subjects that apply to your Section which you think should be raised at this meeting.

Richard Dyer
Chief Staff Officer,
To the Chief of Staff.

Copy to:

20 to Acting President
20 to CC

A meeting will be held in the Chief Commission's Office from 1100 hours to 1300 hours and 1500 hours to 1700 hours on Monday, 20 November 1944, under the Chairmanship of the Acting President, the Hon. H. Macmillan, who has invited the following to attend:-

Chief Commissioner, Allied Commission, Comodoro Hilary W. Stone,
Major-General R. Lewis,
Brigadier General Charles Spotton (1500 to 1700 hours)
Chief of Staff, Allied Commission, Brigadier H. S. Lash,
Deputy-Chief of Staff, Civil Affairs Section, Brigadier G. R. Upjohn,
Deputy-Chief of Staff, Establishment Section, Colonel R. Pike,
Deputy-Chief of Staff, Economic Section, Mr. A. G. Arnold,
Vice-President, Political Section, Mr. H. Hopkinson,
Mr. W. Scott,

Secretary - Lt Col C.V.I. Shipp.

Agenda

1. Future of the Allied Commission.

To consider the removal of "Control" from the title of the Commission as it applies to the Commission's relations with the Italian Government and the Italian Government's powers. Brigadier Upjohn will submit a memorandum describing the functions of the sub-commissions of the Civil Affairs Section in Italian Government territory.

2. To consider any concessions which can be made in implementation of the change of title

- (1) In reality,
- (11) As "Zero away" to the Italian Government, for example:-
 - (a) the removal of officers in the field from the Islands and Southern Region.
 - (b) Abandonment of certain functions at headquarters and in the field.
 - (c) Densitization of the Commission. Assuming the densitization should not take place until the end of hostilities, as recommended by the Commission, what steps can be taken to prepare for this event.
 - (d) Assignment of civilian advisers to the Italian Government.
 - (e) Extension of control by Allied Commission of Legislation and Appointments of Italian Officials.

The Chief of Staff will produce a memorandum on the above points.

3. To consider the organization of the Economic Section and the nomination of a Vice-President and senior officials or officers of the Headquarters of the Section and in charge of the Sub-Commission. Deputy-Chief of Staff, Economic Section, will produce a plan of the Economic Section, with names of Director and Deputy-Directors. Chief of Staff will produce a memorandum on the provision of British civilian staff.

4. To consider the proposals of the Allied Commission prepared in implementation of General Wilson's MAP 640. Deputy-Chief of Staff, Economic Section, will produce a memorandum.

Secretary - Lt Col G.H.I. Nidge

Agenda

1. Future of the Allied Commission

To consider the removal of "Control" from the title of the Commission as it applies to the Commission's relations with the Italian Government and the Italian Government's powers. Delegated bodies will submit a memorandum describing the functions of the sub-commissions of the Civil Affairs Section in Italian Government territory.

2. To consider any concessions which can be made in implementation of the change of title

- (1) In reality,
- (11) As "fact saving" to the Italian Government, for example:-

- (a) the removal of officers in the field from the Islands and Southern Region.
- (b) abandonment of certain functions at Headquarters and in the field.
- (c) facilitation of the Commission. Assuming the demilitarisation should not take place until the end of hostilities, as recommended by the Commission, what steps can be taken to prepare for this event.
- (d) Appointment of civilian advisers to the Italian Government.
- (e) Surrender of control by Allied Commission of legislation and appointments of Italian officials.

The Chief of Staff will produce a memorandum on the above points.

3. To consider the organization of the Economic Section and the nomination of a Vice-President and senior officials or officers at the Headquarters of the Section and in charge of the sub-division. Deputy-Chief of Staff, Economic Section, will produce a plan of the Economic Section, with names of Director and Deputy-Directors. Chief of Staff will produce a memorandum on the provision of British civilian staff.

4. To consider the proposals of the Allied Commission prepared in implementation of General Wilson's A.S. 340. Deputy-Chief of Staff, Economic Section, will produce memoranda

- (1) on feeding of Italy
- (11) Station and supply position in Italy (with regard to transfer of responsibilities to Italian Government)
- (111) Joint programming situation

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5. To consider the position of UNRRA and representations to be made by the Acting President in London and Washington on this matter.

6. To consider channels of communication between the Allied Commission and AFHQ, GDS, GMA, GMA, etc. Brigadier General Spafford will submit a Staff study.

7. To consider the relations between Allied Commission, the Political Advisors, and the Allied Ambassadors, in light of a memorandum drawn up by the Acting

- 2 -

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President and agreed previously with the Library and Order
Commander.

Brigadier
General

1822

Declassified E.O. 12356 Section 3.3/NND No. 785016

4112

Brigadier,
Chief of Staff.

HEADQUARTERS ALLIED COMMISSION
ECONOMIC SECTION
APO #394

HC/mrh

8.10/EC

20 November 1944

SUBJECT: Agenda for Meeting 20 November 1944.

TO : Chief of Staff

1. The following documents are attached for consideration at the meeting to be held 20 November 1944:

- a. Food Position of Italy
- b. Price of Bread and Pasta
- c. Summary of Proposed Plan for Italian Undersecretariat of Food
- d. Joint Programming of Essential Imports into Italy

2. In addition, there are available four sets of documents relating to joint programming.


H. G. ANTWERP
Acting Deputy Chief of Staff
Economic Section

8.10/23

20 November 1944

SUBJECT: Agenda for Meeting 20 November 1944.

TO : Chief of Staff

1. The following documents are attached for consideration at the meeting to be held 20 November 1944:

- a. Food Position of Italy
- b. Price of Bread and Pasta
- c. Summary of Proposed Plan for Italian Undersecretariat of Food
- d. Joint Programming of Essential Imports into Italy

2. In addition, there are available four sets of documents relating to joint programming.


R. G. ANTOLINI
Acting Deputy Chief of Staff
Economic Section

FOOD POSITION OF ITALY

A. SUMMARY

1. AGRICULTURE. As of November 1, we have on hand:
 We should expect this much more:
 From November 1 through next June, we will
 probably get imports of about:

604,000 tons
 50,000
 758,000

Making the total available:*

1,472,000 tons

2. MANUFACTURING South of P-R line. To feed every-
 body south of the P-R line, at 200 grams,
 without any low inventory rationing, it takes:

1,189,000 tons

Plus complementaries (heavy work, public
 safety, hospitals, industrial shift
 meals -- all expenses covered by AG):

141,000

1,330,000 tons

3. BALANCE up north. All that remains for
 the northern stockpile is therefore:

126,000 tons

If resistance in the north collapses suddenly, this stockpile
 could last for:

55 days at 200-gram level or
 41 days at 200-gram level

It will go proportionately further if:

- (a) Occupation of the north is gradual and slow
- (b) We find grain (wheat, corn or rice) available in the
 north when we go in.

4. IMPORTS:

To raise the ration one to 200 grams is a straight gamble. We
 are gambling on a slow occupation of the north, on assets withdrawn
 all of grain by the Germans. We are also betting that if we gambled on
 the wrong side, the U.S. and U.K. Governments will have to make good
 on their commitments with additional wheat and additional shipping.

* Even these availabilities will not materialize unless we get sufficient
 transport to make the fullest use of local resources. This in turn
 depends on (a) whether Washington comes through with at least the
 1,700 trucks now under requisition (for the north), and with the
 additional trucks needed for the north (at least 3,500 under the most
 favorable possible conditions); and (b) on getting additional essential
 ships, locomotives and freight cars from the military for the north.

body south of the 3-8 line, at 200 ft. or more, without any subterranean resources, it is less

1,125,000 tons

143,000

1,268,000 tons

105,000 tons

and supplementary (heavy rocks, rubble, safety, hospitals, immaterial aircraft) -- All property removed by 100 ft.

7. BALANCE FOR NORTH. All that remains for the northern stockpile is therefore:

If resistance in the north collapses suddenly, this stockpile would last for:

50 days at 200-grain level or
40 days at 100-grain level

It will go substantially further if:

(a) Occupation of the north is gradual and slow

(b) We find grain (wheat, corn or rice) available in the north when we go in.

8. TRANSPORT

To raise the ration out to 200 ft. is a straight gamble. We are gambling on a slow occupation of the north, on small withdrawal of grain by the Chinese. We are also betting that if we gambled on the wrong side, the U.S. and U.N. Government will have to make good on their commitments with additional wheat and additional shipping.

Even these availabilities will not materialize unless we get sufficient transport to make the fullest use of local resources. This in turn depends on (a) whether transportation comes through with at least the 1,700 trucks now under requisition (for the north), and with the additional trucks needed for the north (at least 8,500 under the most favorable possible conditions); and (b) on getting additional coastal ships, locomotives and freight cars from the military for the long-distance hauling of wheat.

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- 2 -

B. MISCELLANEOUS FOODS1. Dried Vegetables, Dehydrated Soups, Meat and Vegetable Stock

Stocks of all these foods are very low, with no additional shipments approved (although bids were put into Washington two months ago). If no general issues are continued, stocks will last as follows:

Dried Vegetables - until 20 December
Dehydrated Soup - until 15 January
Meat & Vegetables - until 1 March

In order to keep some stocks of these foods on hand for special needy consumer groups, the Economic Section will discontinue the general issue of dried vegetables and soup on 1 December, and of meats on 1 January. The stocks will then be furnished only to special classes such as hospitals, public safety agents, school children, relief and welfare institutions, and civilians working for Allied agencies.

2. Sugar

Ration is 125 grams per person per month, on a when and if basis. Only issues that can be made will be from imports (one ship is due in a couple of weeks), and the ration is foregone as often as it is issued.

3. Milk

No stockpile whatever on hand, and no advice of any future arrivals.

4. Wheat

Distribution and ration depend on the success in amassing the Italian crop of olive oil. If amassing estimates are realized a ration of 400 grams per person can be issued.

From November arrivals a stockpile is being built for the North; but it will only be large enough to last one month (2,200 tons, which will take care of 17,000,000 people at 125 grams per capita).

5. Soap - No imports of soap are scheduled. Production in territory controlled by the Italian Government is sufficient only for ration of 100 grams per head per month.

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2. Meat.

Ration is 125 grams per person per month, on a when and if basis. Only issues that can be made will be from imports (one ship is due in a couple of weeks), and the ration is foregone as often as it is issued.

3. Milk

No stockpile whatever on hand, and no advice of any future arrivals.

4. Fats

Distribution and ration depend on the success in smearing the Italian crop of olive oil. If smearing estimates are realized a ration of 400 grams per person can be issued.

From November arrivals a stockpile is being built for the North, but it will only be large enough to last one month (2,200 tons, which will take care of 17,000,000 people at 125 grams per capita).

5. Soup - No imports of soup are scheduled, production in territory controlled by the Italian Government is sufficient only for ration of 100 grams per head per month.

4109

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Declassified E.O. 12356 Section 3.3/NND No. 785016

THE PRICE OF BREAD AND PASTA

(Report of a meeting held between representatives of the Economic Section, AG, and of the Italian Government, 18 November 1944.)

1. A Committee of the Italian Government composed of the Minister of Treasury, Solerti; Minister of Agriculture, Gallo; and Minister (without portfolio) Piccinini, has submitted a proposal to increase the price of bread from 5 lire per kilo to 6 lire per kilo.

2. The cost of bread, otherwise known as the economic price, was formerly 12 lire and is now 15 lire a kilo. Hence, the increase in the retail price is in direct relation to the increase in cost, i.e. 3 lire per kilo. The Government intends to continue to subsidize the spread between the economic price and the price paid by the public.

3. The Government intends to establish some special provision for certain categories of consumers such as the unemployed and displaced persons. The Committee is not prepared at this moment to present any formal plan but we have indicated that we shall review the matter with them and offer some suggestions on the categories to be included in any "special ration" scheme.

4. The Government has indicated that the price of pasta will be correspondingly increased. It is now 7 lire and will be increased to a maximum of 12 lire.

5. While agreeing in principle with the proposition that the price of bread should be increased, the Economic Section suggested that the publication of the new price should be so timed as to tie in with a possible increase in the ration to 300 grams, and the transfer to the Italian Government of administrative responsibility for feeding of Italy.

6. The Ministers have agreed that a single press release should be issued on all these points. In the event that we are unable by 23 November 1944 to ensure them of a satisfactory solution of the bread ration problem, the information on the price increase will be released.

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5. While agreeing in principle with the proposition that the price of bread should be increased, the Economic Section suggested that the publication of the new price should be so timed as to tie in with a possible increase in the ration to 100 grams, and the transfer to the Italian Government of administrative responsibility for feeding of Italy.

6. The Ministers have agreed that a single press release should be issued on all these points. In the event that we are unable by 23 November 1944 to assure them of a satisfactory solution of the bread ration problem, the information on the price increase will be released.

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SUMMARY OF PROPOSED PLAN FOR ITALY
UNDER SECRETARIATE OF FOOD

1. To amass only wheat and olive oil.
2. To ration only Bread, Pasta, Olive Oil and imported commodities such as sugar.
3. To leave other locally produced foodstuffs to free enterprise, subject only to transport control, leaving these to find their own price level.
4. As fixed and low income classes will not be able to buy sufficient foodstuffs at these expected high prices, and low range of rationed commodities will not cover their fundamental food needs, to make provision for these by:
 - (a) organising Cooperatives of State Employees, workers, etc., and assign foodstuffs, other than rationed items, to them. These to be controlled by a Commissioner for Cooperatives, who will be an expert executive directly under the Under Secretary of Food.
 - (b) Supplies for these Cooperatives will be obtained by:
 - (i) Direct purchase by the State of a certain amount. This not fixed and modus operandi not yet stated.
 - (ii) Taking a percentage (not stated) of commodities imported from surplus regions into large towns in this free market system.
 - (c) The responsibility for obtaining these supplies will be vested in a Commissioner for Supplies who will be an expert executive directly under the Under Secretary of Food. He will be assisted in the obtaining of information about surpluses by Regional officials who will assess surpluses, have them allocated to needy areas by his superior, and then assist in the movement. Control that these will, in fact, go to the areas nominated will be exercised by control of transport media only. All permits to move goods, etc., will be abolished. ~~Transport and~~ permits would be needed only for these specific surpluses - ~~(all other items presumably would have complete freedom of movement)~~.
5. Existing Direzione Generale of Alimentation will be retained for control of rationing system, supervision of the Consorzio Agrario and the movement and distribution of rationed items only.

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5. Existing Direzione Generale of Alimentation will be retained for control of rationing system, supervision of the Consorzio Agrario and the movement and distribution of rationed items only.

4107

HEADQUARTERS ALLIED COMMISSION HOFBOW
APO 394
ECONOMIC SECTION

MEMORANDUM

SUBJECT: Status of Joint Programming of Essential Civilian Requirements

1. On 31 October 1944, the Economic Section of the Allied Commission was authorized to begin the job of programming with the Italian Government essential civilian supplies over and above those provided by the military. The authorization is contained in Appendix "A" attached and resulted from a series of meetings held in Rome and in AFHQ.
2. The terms of reference within which it is necessary to program are somewhat indefinite, but can be summarized as follows:
 - a. The Combined Chiefs of Staff will approve only those supplies which they consider to fall within the military mission of "preventing disease and unrest." Roughly, this includes limited amounts of food, fuel, medical and sanitary supplies, electric generating plants, transportation equipment, and a few miscellaneous finished products.
 - b. The U.S. Government is making available to the Italian Government a limited amount of foreign exchange in dollars, which is represented by the dollar equivalent of net troop pay, immigrant remittances, and the proceeds from exports to the U.S., with which to purchase "non-military" supplies.
 - c. The British Government, while it has not made a similar arrangement, had indicated that it will provide the agreed British share of an agreed "non-military" program.
3. The Allied Commission had already done a considerable amount of work with the Italian Government in developing plans for first aid repairs to essential industries, for the provision of needed transportation facilities, and for the limited rehabilitation of the electric power industries on which nearly all other forms of economic activity depend. A quick summary of the thinking up to October 1944 was prepared in the form of a "Summary Outline of Essential Italian Imports," which is attached at Appendix "B". Also 4106 attached, as Appendix "C" is an outline of an Emergency Industrial Program for the rehabilitation of certain basic Italian industries during the year 1944. Appendix "D" is a summary of plans for the rehabilitation of the electric power industry in Italy, and Appendix "E" summarizes the status of planning for a "non-military" transportation program.

4. As soon as the authority was given, a meeting was held between the Economic Section, Allied Commission, and Ministers of the Italian Government concerned with economic problems. The Agenda for this meeting is attached as Appendix "F", and the minutes as Appendix "G". At this meeting, the Italian Government agreed to prepare a first draft of a program of essential

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4. As soon as the authority was given, a meeting was held between the Economic Section, Allied Commission, and Ministers of the Italian Government concerned with economic problems. The agenda for this meeting is attached as Appendix "F", and the minutes as Appendix "G". At this meeting, the Italian Government agreed to prepare a first draft of a program of essential imports, related to three possible levels of foreign exchange which become available to Italy - 150, 200, 250 million dollars. Theishment of these hypothetical credit limits made it unnecessary to the Italian Government one specific figure which might be taken as firm.

5. Following this meeting, the Italian Government set up a Committee for Reconstruction (Comitato del Ricostruzione) headed by Bartolomeo Ruini, Minister without Portfolio. This Committee is to coordinate the planning for all reconstruction in the Italian Government, and for the time being will assume the direct administrative responsibility for the present task of programming essential non-military imports.

6. The Committee for Reconstruction has now established transportation, electric power, and agricultural supplies as being the top-most priority groups, followed by textile and other industries. Their priority thinking is conditioned by the fact that it is unrealistic to plan for the repair of essential industries until the transportation and power bottlenecks have been first dealt with. A draft program, based on these priorities, will be submitted to the Allied Commission by 24 November. As soon as we have agreed with the Italian Government on an overall scheme of non-military imports, the various ministries and sub-commissions will translate that scheme into specific requisitions to be transmitted to the Combined Liberated Areas Committee in Washington.

4105

HEADQUARTERS ALLIED COMMISSION
Office of the Chief Commissioner
APO 394

JAQ/afe

14 November 1944

TO: Chief of Staff
DCOS, Political Section
DCOS, Economic Section
DCOS, Civil Affairs Section

Reference attached "memorandum for files" dated 13 Nov 44, the Chief
~~Commissioner~~ requests your comments as early as possible.
of staff

J. A. Quayle
J. A. QUAYLE
Major, R. A.
Staff Officer to CC

cc: 'A' Files

4104

CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
Office of the Chief Commissioner
APC 394

ERS/afe

13 November 1944

MEMORANDUM FOR FILES

In my meeting with the Prime Minister and Undersecretary for Foreign Affairs on November 9, I stated that I should like to explore with them the questions as to what functions of AC might be discontinued in territory under the jurisdiction of the Italian Government, what further withdrawals of AC personnel might be made from AC Regions as distinct from AMG Regions, and the various dates on which both steps might be taken.

It was agreed that the Undersecretary for Foreign Affairs and I would informally discuss the question of the suspension of functions on the following day. It was also agreed that we would discuss a relaxation of the present review of Governmental appointments which AC now exercises.

As to withdrawal of AC personnel from AC Regions, the Prime Minister reiterated the view which he expressed in September that he desired AC not to withdraw further from Sicily for the time being and until the political situation in Sicily had clarified.

As to the mainland, he suggested that it might be satisfactory, as a start, to withdraw AC personnel in the area south of Salerno. He advised that the Undersecretary would propose a date when this might become effective at our subsequent meeting.

The Undersecretary for Foreign Affairs met with me on November 11. As to suspension of functions, he suggested that as a beginning we should discontinue any supervision of education in territory under the Government's jurisdiction and that this should become effective immediately. He stated that he was not prepared to recommend the elimination of supervision by any other Sub-Commission at this time.

As to withdrawing AC personnel in the area south of Salerno, he suggested January 1, 1945. I promised to advise him.

As to the relaxation of review of Government appointments, he submitted for consideration and discussion a list, herewith attached, of those appointments which the Government proposes should not be made without AC approval. With reference to the various Chief of Staff appointments, I told him that I felt the Commission was not prepared to relax its present supervision of the Army, Navy and Air Force in any degree, since these were essentially military matters and not political. He quite willingly accepted the point of view that our present degree of supervision of personnel in the Italian armed forces by the three Service Sub-Commissions would remain unaltered.

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CONFIDENTIAL

During our discussion he suggested that we might both want to consider making the appointments of the High Commissioners for Sicily and Sardinia subject to AG approval.

I promised to give the Undersecretary our reaction to all his proposals as soon as possible.

The discussion was conducted in an atmosphere of the greatest cordiality.

MILBY W. STONE
Commodore
Chief Commissioner

1 Incl: List

4102

CONFIDENTIAL

Ministri e sottosegretari di Stato
Capo di Stato Maggiore Generale dell'Esercito
Capo di Stato Maggiore Esercito
Capo di Stato Maggiore Marina
Capo di Stato Maggiore Aviazione
Principali Rappresentanti diplomatici
Alto Commissario per l'Aparazione
Vice Alti Commissari per l'Aparazione
Direttore Generale della Pubblica Sicurezza
Comandante Generale dei Carabinieri.

Added Suggestion

High Commissioners for Sicily and Sardinia

NOTES ON AGENDA.

1. Future of Commission.

The Commission has consistently urged that there should be no fundamental change in its organization until the end of hostilities. This was contained in a Memorandum of July 29th and telegram of September 12th, both sent to AMHQ but, as it is believed, not forwarded by AMHQ to CCS. The War Office have received both documents and the War Department certainly the latter through the Embassies in Rome.

There is both in London and in Washington a growing desire on the part of the War Departments to divest themselves of responsibilities regarding rehabilitation in Italy. But however logical may be this desire, the procedure which it is proposed to adopt on either side of the Atlantic bears little relation to reality. The proposal that the Headquarters of the Commission should be demilitarised (with the exception of the Establishment Section) has already been countered by the Chief Commissioner's telegram 8-358 of 4 Nov 44, in which the War Office through diplomatic channels. The other proposal mooted in London that the authority for Allied Military Government in Italy (answerable through SACMAD to the War Office) should be made distinct from the Allied Commission which it is proposed should be made answerable to the Foreign Office, is equally unacceptable. This point was dealt with in the Memorandum of July 29th, written when the possibility of the total liberation was probable by the end of the year, and the arguments are even more cogent now than before. It would be politically, economically and administratively unsound to attempt to run Italy by two Allied authorities. Lack of co-ordination is the besetting sin of the present Commission and the setting up of two authorities would create chaos.

2. It is however, essential that we should put forward some proposals which can be regarded as an earnest to implement the Quebec statements and all that followed since, including the removal of "Control" from the Commission.

It must be remembered, however, (1) that probably nearly 80% of the Commission's work (except in the field of politics) is taken up with AMHQ problems and forward planning and (2) that the exercise of "control" when it came to the point was really only nominal, at any rate via a vis the central Government, because the Commission either had no sanctions to impose in order to enforce control or was unwilling to use them.

(a) The physical removal of officers from the Islands and in Southern Region is an obvious and ostensible form of implementation but one which except in part is popular neither with the Italian Government nor with the Allied Military Authorities. The Italians indeed have proposed our abandonment of Calabria and part of Apulia (the territory South of Salerno), by January 1st. But it is doubtful whether the authorities at Taranto would be disposed to complete withdrawal nor, in face of the Calabrian oil situation, whether it would be economically sound. It has been suggested that much of the work could be done by Allied civilians. In this connection it should be remembered that whereas when a riot occurs in Italian Government territory AG officers are, or should be, powerless to intervene, their very presence does prevent the occurrence of a number of disturbances which would otherwise break out.

of our War Department to divest themselves of responsibilities regarding rehabilitation in Italy. But however logical may be this desire, the procedure which it is proposed to adopt on either side of the Atlantic bears little relation to reality. The proposal that the Headquarters of the Commission should be demilitarized (with the exception of the Establishment Section) has already been answered by the Chief Commissioner's telegram S-356 of 4 Nov 44, reached the War Office through diplomatic channels. The other proposal mooted in London that the authority for Allied Military Government in Italy (Answerable through ~~AMG~~ to the War Office) should be made distinct from the Allied Commission which it is proposed should be made answerable to the Foreign Office, is equally inacceptable. This point was dealt with in the Memorandum of July 29th, written when the possibility of the total liberation was probable by the end of the year, and the arguments are even more cogent now than before. It would be politically, economically and administratively unsound to attempt to run Italy by two Allied authorities. Lack of co-ordination is the besetting sin of the present Commission and the sorting-up of the authorities would create chaos.

2. It is however, essential that we should put forward some proposals which can be regarded as an earnest to implement the Quibec statements and all that followed since, including the removal of "Control" from the Commission.

It must be remembered, however, (1) that probably nearly 50% of the Commission's work (except in the field of politics) is taken up with AMG problems and forward planning and (2) that the exercise of "control" when it came to the point was really only nominal, at any rate vis a vis the central Government, because the Commission either had no sanctions to impose in order to enforce control or was unwilling to use them.

(a) The physical removal of officers from the Islands and in Southern Region is an obvious and ostensible form of implementation but one which except in part is popular neither with the Italian Government nor with the Allied Military Authorities. The Italians indeed have proposed our abandonment of Calabria and part of Apulia (the territory South of Salerno), by January 1st. But it is doubtful whether the authorities at Taranto would be disposed to complete withdrawal nor, in face of the Calabrian oil situation, whether it would be economically sound. It has been suggested that much of the work could be done by Allied civilians. In this connection it should be remembered that whereas when a riot occurs in Italian Government territory 40 officers are, or should be, powerless to intervene, their very presence does prevent the occurrence of a number of disturbances which would otherwise break out.

(b) The abandonment of Education and Monuments & Fine Arts has been suggested. This has been discussed at length in CG's 205/CGS dated 11 Nov 44 to G-5 AMG.

(c) Demilitarisation has already been dealt with in Chief Commissioners telegram S-356 of 4 Nov. Here again we fall back on to the proposals made on July 29th - very gradual infiltration of civilians. The War Office interpret this as the filling of vacancies as they occur by civilians provided civilians with the necessary qualifications can be found.

(d) The appointment of civilian advisors to the Italian Government is one of the steps advocated by the Commission in their Tel of Sept 12th

as a post hostility measure. Its immediate adoption could be considered new, would certainly be practicable and probably politic, provided it was made clear that the advisers were the servants of the Italian Government (seconded to the various ministries) and were not merely members of the Sub-Commissions sitting on the other side of the reel. For contra it might be argued that the imposition of advisers at this stage smacked of a more rigid control than before but that is a matter for the Italian Government to decide - the commission after all is from us. The presence of such advisers would certainly act as a buffer against any mistaken form of control which members of the Commission might wish to impose on the Italian Government.

- (c) Hitherto control has been effected on legislation and appointments of Italian officials. It is probable that much if not all of this should be dropped.

SECRET

DRAFT

Ref:- 9/1 A/CA

SUBJECT:- Approval of the appointment of
Italian officials by A.C.

TO:- Acting President, Allied Commission.

18 Nov '44.

1. It is requested that clarification may be obtained as to the policy which should be adopted by the Allied Commission in the approval of appointments made by the Italian Government in Italian Government territory, i.e. territory which has been handed back to the administration of the Italian Government and is no longer administered by Allied Military Government. For your information the following is a brief history of the policy hitherto adopted by the Allied Commission, and a statement of the present position.

2. Shortly after the first handover of territory to the Italian Government which took place on the 11th February '44, there was an exchange of letters between the then Chief Commissioner, Lt. Gen. Sir Noel Mason MacFarlane and the then Prime Minister Marshal Badoglio. (Copies of these letters are at App. "A"). In effect by these letters it was agreed that all senior Government appointments would be subject to the prior approval of the Commission.

3. Details were worked out between the Sub-Commissions and the Ministries concerned as to the level down to which appointments made by the Italian Government would be subject to the Commission's approval. Appendix "B" Part I gives a list of offices as finally agreed between the Commission and the Government which were to be subject to the Commission's approval.

With regard to Sub-Commissions in the Economic Section, no detailed arrangements were made, but the practice grew up whereby the Ministries concerned did in fact submit for approval, to the appropriate Sub-Commission, appointments down to the level set out in App. "B" Pt II.

4. The arrangements so made have worked quite smoothly in practice. It is fair to say that in the vast majority of cases no difficulty has arisen and appointments have been approved almost as a matter of course, but the right of approval has proved useful in practice, and occasionally approval for good reason has been withheld and the Italian Government has been required to submit another appointee for the office.

5. Recently, and in view of the change of name of the Commission, the Italian Government has requested that the practice be revised and they have submitted a very short list of offices which they suggest should be submitted to the Commission for approval. (App. "C").

1. It is requested that clarification may be obtained as to the policy which should be adopted by the Allied Commission in the approval of appointments made by the Italian Government in Italian Government territory, i.e. territory which has been handed back to the administration of the Italian Government and is no longer administered by Allied Military Government. For your information the following is a brief history of the policy hitherto adopted by the Allied Commission, and a statement of the present position.
2. Shortly after the first handover of territory to the Italian Government which took place on the 11th February '44, there was an exchange of letters between the then Chief Commissioner, Lt. Gen. Sir Noel Mason MacFarlane and the then Prime Minister Marshal Badoglio. (Copies of these letters are at App. "A"). In effect by these letters it was agreed that all senior Government appointments would be subject to the prior approval of the Commission.
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With regard to Sub-Commissions in the Economic Section, no detailed arrangements were made, but the practice grew up whereby the Ministries concerned did in fact submit for approval, to the appropriate Sub-Commission, appointments down to the level set out in App. "B" Pt II.
4. The arrangements so made have worked quite smoothly in practice. It is fair to say that in the vast majority of cases no difficulty has arisen and appointments have been approved almost as a matter of course, but the right of approval has proved useful in practice, and occasionally approval for good reason has been withheld and the Italian Government has been required to submit another appointee for the office.
5. Recently, and in view of the change of name of the Commission, the Italian Government has requested that the practice be revised and they have submitted a very short list of offices which they suggest should be submitted to the Commission for approval. (App. "C").
6. It appears to be a matter of overall policy as to whether or not the Commission should agree to the revised list. It is the opinion of the Civil Affairs Section that the list is too short, and that at any rate the names of directors of personnel in each Ministry should be submitted to the Commission for approval. The main reason for this is that appointments in Allied Military Government territory are always made by the Allied Commission, but in practice the Italian Government is normally consulted over such appointments, and it seems desirable that the Director of personnel should be the person approved by the Commission.
7. In view also of the importance of the C.O.M.R. in Military Government territory, and the important negotiations now in train with

regard to the reorganization of that body, it is suggested that the senior staff officers of the Commanding General CC.IR. should be subject to approval, and also appointments to the Court of Cassation, the supreme judicial body of the country.

8. In this connection it must be remembered that in the secret terms agreed between the Commission and the Italian Government on each successive restoration of territory to the administration of the Government, it is always provided that no person appointed by the Allied Military Government may be removed, except with the consent of the Commission. If policy demands that the Italian Government is to have greater latitude in future, then it would seem necessary to modify or abandon this term, because so many appointments involve removal or transfer which requires the consent of the Commission, and thus indirectly the Commission controls appointments in many cases on a far lower level than those indicated in Art. "B". Except as a matter of "amour propre" there does not seem to be any objection to abandoning this provision.

G R Upjohn

C.E. UPJOHN. Brigadier.
VF CA Sec.
E.C.O.S.

it is always provided that the Government may be removed, except with the consent of the Commission. The Commission is to have greater latitude in policy demands that the Italian Government is to have greater latitude in future, then it would seem necessary to modify or abandon this term, because so many appointments involve removal or transfer which requires the consent of the Commission, and thus indirectly the Commission controls appointments in many cases on a far lower level than those indicated in Art. "B". Except as a matter of "amour propre" there does not seem to be any objection to abandoning this provision.

G R Lpy

G. R. DEJOIN. Brigadier.
 VI CA Sec.
 D.C.O.S.

4098

APPENDIX "A" TO 9/1A/CA dated 18 Nov 44.

Recent events over certain appointments have shown that it is clearly desirable for us to have a mutually satisfactory arrangement to prevent misunderstandings and subsequent difficulties which it is in all our interests to avoid. I would suggest, therefore, that it should be agreed that you will let me know before any appointment to the Government is actually announced. Equally, I should be glad if you will impress upon all members of your Government that they should, in turn, consult the appropriate authorities in the Allied Control Commission before making any senior appointments in their own departments either at the seat of the Italian Government or in those provinces under Italian jurisdiction. As they already enjoy close and friendly relations with the Sub-Commissions with whom they work, this should be an easy matter to arrange. It is clear that each minister must be strictly accountable for all appointments in his department, and the arrangement which I propose should be to their interests in carrying out the work which we are doing together.

I should be glad if you will let me know whether you are in full agreement with the proposals made in this letter. If so, I will give the necessary instructions to the various heads of Sections and Sub-Commissions of the Allied Control Commission as soon as you confirm that members of your Government have been notified of our agreement.

you will impress upon all members of your Government that they should, in turn, consult the appropriate authorities in the Allied Control Commission before making any senior appointments in their own departments either at the seat of the Italian Government or in those provinces under Italian jurisdiction. As they already enjoy close and friendly relations with the Sub-Commissions with whom they work, this should be an easy matter to arrange. It is clear that each minister must be strictly accountable for all appointments in his department, and the arrangement which I propose should be to their interests in carrying out the work which we are doing together.

I should be glad if you will let me know whether you are in full agreement with the proposals made in this letter. If so, I will give the necessary instructions to the various heads of Sections and Sub-Commissions of the Allied Control Commission as soon as you confirm that members of your Government have been notified of our agreement.

4097

APPENDIX "B1" TO 9/LAACA dated 18 Nov 44.

LEGAL

First Presidents of Courts of Appeal
Councillors of Cassation and Appeal
Procuratori Generali
Sostituti di Procuratori Generali
Presidenti di Tribunali
Procuratori del Re
Primo Pretori (of towns of pop. 50,000)

INTERIOR

Prefects
Vice Prefects
Vice Prefect Inspectors
Consiglieri Primo Grado
Consiglieri Secondo Grado
First Secretary to Prefect
Special Secretary
Director of Religious Affairs
Sindaci) of communes of
Town Clerk) - pop. 15,000

PUBLIC SAFETY

Legion Commanders CC.RR
Legion Commanders Guardia di Finanza
Questori Public Security Service.
Regional Directors Prison Service
Commandants (and upwards) Fire Service.

PUBLIC HEALTH

Chief Medical Officer at
Ministry of Interior.

EDUCATION

Rectors
Professors (titular)
Presidi of Faculties
Academy Inspectors of
schools (local and centralised)
Heads of Divisions in Ministry
of Education
Provveditori
Presidi of Schools
Inspectors of Schools
University Lecturers.

1850

Consiglieri di Cassazione
Procuratori Generali
Sostituti di Procuratori Generali
Presidenti di Tribunali
Procuratori del Re
Primo Pretori (of towns of pop. 50,000)

Vice Prefect Inspectors
Consiglieri Primo Grado
Consiglieri Secondo Grado
First Secretary to Prefect
Special Secretary
Director of Religious Affairs
Sindaci) of communes of
Town Clerk) - pop. 15,000

PUBLIC SAFETY

Legion Commanders CC.RR.
Legion Commanders Guardia di Finanza
Questori Public Security Service.
Regional Directors Prison Service
Commandants (and up-wards) Fire Service.

EDUCATION

Rectors
Professors (titular)
Presidi of Faculties
Academy Inspectors of
schools (local and centralised)
Heads of Divisions in Ministry
of Education
Provveditori
Presidi of Schools
Inspectors of Schools
University Lecturers.

PUBLIC HEALTH

Chief Medical Officer at
Ministry of Interior.

APP. 32 to 9/14/CA L. 18 Nov '44.

SUBJECT:- Level at which Appointment of Italian Officials should be approved by Allied Commission.

FINANCE: All appointments down to the level of Grade 4, Commissari, Direttori Generali, Segretari Generali of banks, insurance companies and other finance institutions clothed with public interest. Other appointments which the Italian Government may believe to be of interest to the Commission.

PUBLIC WORKS AND UTILITIES: Appointments down to Grade 5 (Ispettore Generale del Genio Civile, Capo Compartimento, etc).

COMMERCE & INDUSTRY: Heads and Deputies of Direzione Generale, titular and managing directors of industrial or parastatal institutions. Vice Commissarios of important companies.

LABOUR: Commissioners of National Insurance Agencies and other national agencies formerly linked into the Fascist cooperative structures concerned with such labour matters as welfare, assistance, protection and safety of workers. Appointments to the position of Regional and Provincial labour Director.

AGRICULTURE: Chiefs of Ministerial Bureaus such as Bonifica and Urrua, Compartimento officials of the rank of agricultural Inspectors and Consorzio Agrario officials.

TRANSPORTATION: Director of Mercantile Marine, Principal Inspector of the General Inspectorate of civil motorization and transportation concessions. Director General of the Italian State Railways.

SHIPPING: Commissioners of the four subsidised Italian steamship companies, "Italia", "Adriatica", "Sirena" and "Oriente", formerly "Lloyd Triestino".

FOOD: Direttore Generale dell'Alimentazione and the Head of the Ufficio Nazionale dell'Approvvigionamento e Distribuzione Alimentare.

del Genio Civile, Capo Compartimento, ecc.

COMMERCE & INDUSTRY: Heads and Deputies of Direzione Generale, titular and managing directors of industrial or parastatal institutions. Vice Commissaries of important companies.

LABOUR: Commissioners of National Insurance Agencies and other national agencies formerly linked into the Fascist economic structures concerned with such labour matters as welfare, assistance, protection and safety of workers. Appointments to the position of Regional and Provincial Labour Director.

AGRICULTURE: Chiefs of Ministerial Bureaus such as Bonifica and Ussita, Compartimento officials of the work of agricultural Inspectors and Consorzio Agrario officials.

TRANSPORTATION: Director of Mercantile Marine, Principal Inspector of the General Inspectorate of civil motorisation and transportation concessions. Director General of the Italian State Railways.

SHIPPING: Commissioners of the four subsidized Italian steamship companies, "Vitalia", "Albatros", "Pirateria" and "Oriens", formerly "Lloyd Triestino".

FOOD: Direttore Generale dell'Alimentazione and the Head of the Ufficio Nazionale dell'Approvvigionamento e Distribuzione Alimentare.

4095

APPENDIX "C" TO 9/11/CA dated 18 Nov 44

Ministri e Sottosegretari di Stato
Capo di Stato Maggiore Generale dell'Esercito
Capo di Stato Maggiore Esercito
Capo di Stato Maggiore Marina
Capo di Stato Maggiore Aviazione
Principali Rappresentanti diplomatici
Alto Commissario per l'Epurazione
Vice Alti Commissari per l'Epurazione
Direttore Generale della Pubblica Sicurezza
Comandante Generale dei Carabinieri

Added Suggestions:-

High Commissioners for Sicily and Sardinia.

Capo di Stato Maggiore Aviazione

Principali Rappresentanti diplomatici

Alto Commissario per l'Epurazione

Vice Alti Commissari per l'Epurazione

Direttore Generale della Pubblica Sicurezza

Comandante Generale dei Carabinieri

Alti Commissari per l'Epurazione
Added Suggestions:-

High Commissioners for Sicily and Sardinia.

4094

C O P Y

SECRETAFHQ MESSAGE CENTER
INCOMING MESSAGEWAR
Filed: 132147Z
Recd: 140238AAFSC N 230/14
Jto

PRIORITY

FROM: AGWAR FROM THE COMBINED CHIEFS OF STAFF (BOOK MESSAGE)

TO : AFHQ TO WILSON FOR ACTION TO SHARE VERSAILLES FOR EISENHOWER
TO CENTRAL DISTRICT UNITED KINGDOM BASE SECTION LONDON TO
BRITISH CHIEFS OF STAFF FOR INFORMATION

REF NO THIS MESSAGE: WX 52000 13 November 1944

PAN 450

Extent to which you may have responsibility beyond that essential to the accomplishment of your military mission is under urgent consideration as previously requested in your NAF 775 and as supplemented by NAF 810.

Pending issuance of instructions to you by the Combined Chiefs of Staff, you will take no steps to change the basis on which your Headquarters approves for submission to the Combined Chiefs of Staff requirements for essential civilian supplies as being within military responsibility.

NAF 775 Ref FX 24540 MC OUT 3390 C/S 13-9-44
NAF 810 Ref FX 46787 MC OUT 111 1-11-44 G-5

ACTION: G-5

INFORMATION:	SGS	ISAFS	G-1	USPOLAD
	G-3	G-4	CAO	MR. MACMILLAN
	MAAF	UEN	CINC M&D	RECORDS

4093

SECRET

EXHIBIT SECTION

1. Service Section Staff

a. Executive

1. Acting Section Head
2. Executive Director
3. Chief Staff Officer

A. G. Antolini (Civ.) (A)
 Arthur Cleveland (Civ.) (A)
 Col. L. D. Denmore (A)

b. Operations & Movements Division

1. Chief of Division
2. Assistant
3. " "
4. " "
5. " "

Herbert E. Taylor (Civ.) (A)
 Anthony L. Villa (Civ.) (A)
 Kenneth E. Stumoff (A)
 Major W. A. Sorell (B)
 Major E. R. Richardson (B)

c. Supply & Resources Division

1. Chief of Division
2. Deputy Chief of Division
3. Chief Acquisition Unit
4. " "
5. Price Agent
6. Asst. Price Agent

Harlan Cleveland (Civ.) (A)
 Maj. W. W. Brady (B)
 Lt. Col. R. A. Martino (A)
 James E. Marley (Civ.) (A)
 Harry H. Batten (Civ.) (A)
 Capt. R. G. Murphy (A)

d. Administration & Personnel Division

1. Chief of Division
2. Staff Officer
3. " "
4. " "
5. Civ. Per. Officer

Maj. B. D. Nash (A)
 Maj. G. E. Sullivan (A)
 Capt. G. J. Macomber (B)
 Lt. C. E. Atkins (B)
 David A. Lehman (Civ.) (A)

2. Agriculture S/O

- Director
- Deputy Director

Leland Albright (Civ.) (A)
 British civilian to be selected. (B)

3. Commerce S/O

- Director
- Deputy Director

Col. W. E. Evans (B)
 Maj. W. E. Sorton (A)

4. Finance S/O

- Joint Director
- " "

Col. A. E. Geoffrey Smith (B)
 Lt. Gen. J. P. Lawlor (A)

5. Food S/O

CR

b. Executive & Management Division

5. Chief of Division (A)
6. Assistant (A)
7. " (A)
8. " (B)
9. " (B)

c. Supply & Resources Division

10. Chief of Division (A)
11. Deputy Chief of Division (B)
12. Chief Acquisition Unit (A)
13. Asst. " (A)
14. Chief of Division (A)
15. Asst. " (A)
16. Asst. " (A)
17. Asst. " (A)
18. Asst. " (A)
19. Asst. " (A)

d. Administration & Personnel Division

20. Chief of Division (A)
21. Staff Officer (A)
22. " (A)
23. " (A)
24. " (A)
25. " (A)
26. " (A)
27. " (A)
28. " (A)
29. " (A)

2. Agriculture S/C

Director
Deputy Director

Edward A. Hough (Civ.) (A)
British civilian to be selected.

3. Commerce S/C

Director
Deputy Director

Col. W. H. Evans (B)
Maj. W. H. Sutton (A)

4. Finance S/C

Joint Director

Col. A. J. Duffrey Smith (A)
Id. Gen. J. T. Lawler (A)

5. Food S/C

Director
Deputy Director

Col. W. J. Legg (B)
Maj. G. H. Hargreaves (B)

6. Industry S/C

Director
Deputy Director

W. S. Vaughan (Civ.) (A)
British civilian to be selected

4092

- 2 -

7. Labor R/C

Director, Deming
Acting Director
Acting Deputy Director
S. W. & U. R/C

Bray
Col. J. A. Smith
Maj. J. O. Sabers
(B)
(A)
(A)

Director
Deputy Director

1st Col. J. A. Smith
1st Col. G. E. Smith
(A)
(B)

Transportation R/C

Director
Deputy Director

Col. D. C. Adams
British officer to be
collected.
(A)
(B)

10. Merchant Shipping R/C

Director
Deputy Director

1st J. J. Smith
1st O. W. Smith
(B)
(A)

* Mediterranean Shipping Board (Italy)

9. Director
Deputy Director
Lt Col. L. A. Jerny (A)
Lt Col. G. L. Rhodes (B)
10. Director
Deputy Director
Lt Col. J. S. Adams (A)
British officer to be selected. (B)
11. Director
Deputy Director
Lt Col. J. S. Adams (A)
Lt Col. G. L. Rhodes (B)

* Mediterranean Shipping Board (Italy)

4091

HEADQUARTERS ALLIED COMMISSION

HC: new

APC 394

ECONOMIC SECTION

/ES

13 November 1944

SUBJECT: Draft Agenda of Industrial Coordination Committee
TO : Chief Commissioner

1. Attached is a revised Agenda for the Industrial Coordination Committee, which has been agreed with Brig. Curry

2. While on a slightly different form from the draft we originally drew up, it includes substantially the same procedure.

3. Brig. Curry was reluctant to put on the Agenda the proposal for participation by the Italian Government in the Committee. We told him that it was our view, and we believed it was yours, that the matter should come up at the Committee in spite of the fact that the matter has not been definitely referred for decision to political authorities. Brig. Curry will, of course, put it on the Agenda if you say so. May we have your decision on this?

4. We will be glad to talk with you about this Agenda at any time you wish.

A. C. ANTONINI
Acting Deputy Chief of Staff
Economic Section

Enclosure.

ICC Agenda and appendices

Distribution:

CCS

Executive Director, ES.
Director, Industry S/C

SUBJECT: Draft Agenda of Industrial Coordination Committee

TO : Chief Commissioner

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2. While on a slightly different form from the draft we originally drew up, it includes substantially the same procedure.
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4. We will be glad to talk with you about this Agenda at any time you wish.

A. G. ANTONINI
Acting Deputy Chief of Staff
Economic Section

Enclosures:
ICC Agenda and appendices

Distribution:
COS
Executive Director, ES.
Director, Industry S/C

4090

DRAFT

AGENDA

INDUSTRIAL CO-ORDINATION COMMITTEE

The first meeting of the Industrial Co-ordination Committee will be held at 9:30 hrs, 1 December 1944 in the AFTER CONFERENCE ROOM, 2nd Floor, 63 PIAZZA DELL'ESEDRA, ROME to consider the following agenda:-

1. To receive the Minutes of the Allied Force Local Resources (Italian)

Board Meeting held on 11 November 1944 establishing the Industrial

Co-ordination Committee, its composition and terms of reference,

and to consider the method to be adopted to implement the policy

laid down in such terms of reference, and in this connection to

receive and consider the proposals at Appendix "A" attached.

2. To receive a proposal submitted by HQ, AC for joint Military/AC participation in the output of certain essential industries, at

Appendix "B" attached.

3. To receive a proposal by HQAC that the Italian Government participate in the Industrial Coordination Committee (IOC 3, attached).

4. To receive applications for the de-requisition or de-blocking of the following plants, brief history sheets being attached at Appendix "C". (Not attached to this copy).

(a) Breda Co., Vasto Factory, Naples.

(b) Cisa Viscosa, Naples.

(c) Soc. Ital. Ernesto Breda, Astia, Rome.

(d) S.A. Alfa Romeo, Via Ostiense 200, Rome.

(e) Montacchini, Rieti.

(f) Ernesto Breda Co., Capodichino, Naples.

The first meeting of the Industrial Co-ordination Committee will be held at 9:30 hrs, 1 December 1944 in the AFPS CONFERENCE ROOM, 2nd Floor, 68 PIAZZA DELL'ESEDRA, ROME to consider the following agenda:-

1. To receive the Minutes of the Allied Force Local Resources (Italian) Board Meeting held on 11 November 1944 establishing the Industrial Co-ordination Committee, its composition and terms of reference, and to consider the method to be adopted to implement the policy laid down in such terms of reference, and in this connection to receive and consider the proposals at Appendix "A" attached.
2. To receive a proposal submitted by HQ, AC for Joint Military/AC participation in the output of certain essential industries, at Appendix "B" attached.
3. To receive a proposal by HQAC that the Italian Government participate in the Industrial Co-ordination Committee (ICC 3, attached).
4. To receive applications for the de-requisition or de-blocking of the following plants, brief history sheets being attached at Appendix "C". (Not attached to this copy).
 - (a) Breda Co., Vasto Factory, Naples.
 - (b) Cisa Viscosa, Naples.
 - (c) Soc. Ital. Ernesto Breda, Astia, Rome.
 - (d) S.A. Alfa Romeo, Via Ostiense 200, Rome.
 - (e) Montacatini, Rieti.
 - (f) Ernesto Breda Co., Capodichino, Naples.
 - (g) Ernesto Breda Co., Corra Maita al Vasto, Naples.
 - (h) Azienda Tramviaria, Croce del Legno, Naples.
5. Any other business.
6. To set a date for the next meeting.

In order to implement the approved terms of reference and decide what machinery should be established to permit the Committee to carry out its functions, the following proposals based on the terms of reference are submitted:-

Terms of Reference, Para 1.

(a) To enable the Committee to carry out the provisions of this paragraph it is proposed that all Services be instructed to submit to AFIRS details of all factories, industrial plant and machinery, warehouses and storage space occupied by them, or operated under their control.

This information to be obtained on the attached proforma 1.

(b) That section of the terms of reference in this paragraph not covered by the procedure outlined in para (a), viz., the control of the requisition of industrial factories, plant, storage space and warehouses should be effected by the issue of an Order that before application for the requisition of any of these for operation is made, the approval of the Industrial Co-ordination Committee ratified by the AFIR (Italian) Board must be first obtained.

In forward areas all industrial plants and facilities, and their stocks will be blocked in the first instance by AC/AMG in areas uncovered by the Allied Armed Forces.

The Stores, materials and machinery will not be taken out of any industrial unit capable of any type of production until the responsibility for the operation or other disposition of the plant has been fixed by the Industrial Co-ordination Committee or its designated agent.

Terms of Reference. Para 1.

(a) To enable the Committee to carry out the provisions of this paragraph it is proposed that all Services be instructed to submit to AFHS details of all factories, industrial plant and machinery, warehouses and storage space occupied by them, or operated under their control. This information to be obtained on the attached proforma 1.

(b) That section of the terms of reference in this paragraph not covered by the procedure outlined in para (a), viz., the control of the requisition of industrial factories, plant, storage space and warehouses should be effected by the issue of an Order that before application for the requisition of any of these for operation is made, the approval of the Industrial Co-ordination Committee ratified by the AFIR (Italian) Board must be first obtained.

In forward areas all industrial plants and facilities, and their stocks will be blocked in the first instance by AC/AMG in areas uncovered by the Allied Armed Forces.

The Stores, materials and machinery will not be taken out of any industrial unit capable of any type of production until the responsibility for the operation or other disposition of the plant has been fixed by the Industrial Co-ordination Committee or its designated agent.

An immediate joint survey will be made of all blocked facilities by Sub-Committees of the Industrial Co-ordination Committee which will consist of representatives of the Armies and of AC/AMG.

The Sub-Committee will make recommendations in writing through the Secretariat to the Industrial Co-ordination Committee as to the use to which each blocked plant is to be put, and the authority which will be responsible for its operation. Any disagreement on

- 2 -

the report among members of the Sub-Committees should be

stated.

Applications for authority to operate will be submitted through AFIRS to the Industrial Co-ordination Committee on the attached proforma 2.

Similar applications by AG for immunisation from requisition by the Allied Armed Forces should be submitted likewise.

Applications by civilian concerns will be submitted by AG Industry Sub-Commission through AFIRS to the Industrial Co-ordination Committee to permit of each case being considered on its merits. (The AC procedure on this is attached as ICC 3).

The authority responsible for operating a plant will submit monthly reports to AFIRS for presentation to the Industrial Co-ordination Committee on the operation and output of the plant.

The Industry Co-ordination Committee makes the final decision as to the use to be made of each plant. The Committee simultaneously allocates to the appropriate authority or authorities the responsibility for operation of the plants. This action is reflected in the release note procedure in paragraph (f) below.

(c) To enable the Committee to control raw materials, partly finished or finished products it is necessary for the Industrial Co-ordination Committee to recommend to the Board that such of the above be placed on the controlled list as they think are necessary to permit of the preservation and/or rehabilitation of industrial plant. Wherever it is discovered that an item which it is so desired to control is already on the controlled list of another Committee, the Industrial Co-ordination

Similar applications by AC for immunisation from requisition by the Allied Armed Forces should be submitted likewise.

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- (d) The reports called for in para (b) above from the authority responsible for operating a plant will enable the Committee to ensure that a maximum output if required is obtained from factories.
- (e) In general, the importation of materials will continue to be for the present the responsibility of the interested Service or the controlling organization, except in those instances where recommendation to the Committee is essential and/or arbitration is necessary. The allocation of coal is a specific example of one such case.
- (f) All plant and machinery should be placed on the controlled list by an Order published through Command channels, and the necessary steps taken by the Italian Government, to prohibit the movement of any plant and machinery, except by a release note issued by the Industrial Co-ordination Committee over the signature of the Chiefs of Section,

AFHRS.

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- AFMS.

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PROFORMA I

Name & Address of Plant

Use to which Plant
is being put

Requisitioned or
under Contract

Percentage of output of
Plant being utilized

Estimated date of de-
requisitioning or cessation
of use for Military purposes

PROFORMA 2

ARTIS

RAC, CMT.
- - - -

1. Application is made for permission to operate the factory of which details are set out on the attached proforma for the purpose of manufacture of

2. The manufactured articles are required for

- (a) Operational.
- (b) Normal maintenance.
- (c) Stockpiling.

Rank.

Appointment.

(To be signed by head of the service.)

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2. The manufactured articles are required for

(a) Operational.

(b) Normal maintenance.

(c) Stockpiling.

Rank.

Appointment.

(To be signed by head of the service.)

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QUESTIONNAIRE

1. Article or product to be manufactured.

2. Name of Factory proposed.

Town	Province	Compartment
------	----------	-------------

3. Quantities required per month.

4. Maximum output of factory per month.

5. Is factory occupied by military.

(a) who are operating it or

(b) for storage or accommodation

6. Is factory in working order. If not state estimated date on which production could commence.

(a) Will materials be required to put factory into operation, of so specify details.

7. Is factory working.

(a) by military.

(b) by civilians.

Will factory be operated.

(a) by military.

(b) by civilians.

8. How long will factory be required.

9. What tonnage and types of raw materials are required per month from

(a) Mainland

(b) Imported

and what stocks of these materials are held in the factory at present.

10. Can you guarantee their import on military tonnage.

11. Coal or coke requirements in tons per month.

- 3. Quantities required per month.
- 4. Maximum output of factory per month.
- 5. Is factory occupied by military.
 - (a) who are operating it or
 - (b) for storage or accommodation
- 6. Is factory in working order. If not state estimated date on which production could commence.
 - (a) Will materials be required to put factory into operation, of so specify details.
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 - (a) by military.
 - (b) by civilians.

Will factory be operated.

 - (a) by military.
 - (b) by civilians.
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 - (a) Mainland
 - (b) Imported

and what stocks of these materials are held in the factory at present.
- 10. Can you guarantee their import on military tonnage.
- 11. Coal or coke requirements in tons per month.
- Type required:
 - (a) ex Sardinia
 - (b) Imported
 - (c) ARSA
 - (d) LIGHTER
- 12. Fuel oil requirements in tons per month.
- 13. (a) Power required in KW
- (b) Power required in KW with a peak load of
- a graph showing estimated peak loads over 24 hours to be attached.

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14. Estimated energy consumption in KWH per week.
15. Is there any electrical generating plant in working order (give details).
16. Is sufficient local labour available to run plant efficiently.
17. Where is the nearest alternative factory in Italy (in another town)
18. Is sufficient transport for needs of factory available from
 - (a) civilian sources.
 - (b) military sources.

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17. Where is the nearest alternative factory in Italy (in another town)

18. Is sufficient transport for needs of factory available from

(a) civilian sources.

(b) military sources.

ALLIED FORCE LOCAL RESOURCES (ITALIAN) BOARD
INDUSTRIAL CO-ORDINATION COMMITTEEJOINT MILITARY/AC PARTICIPATION IN THE OUTPUT OF ESSENTIAL
INDUSTRIES

1. Much time and energy of all parties concerned is consumed in the detailed allocation of the output of Italian industrial facilities. Moreover, in many cases the output of these facilities is not used to the full, for the benefit of all claimants, where the claims of the authorities responsible for operating plants do not happen to be as large as the capacity of the plants operated.
2. In the case of some industries, of which cement and steel are notable examples, it is believed to be most efficient to have the best qualified authority operate the rehabilitated plants at capacity, and split the total output among the claimants on a percentage basis. This procedure would have the advantage of making it possible for all claimants for the basic materials to know what quantities of such materials would be available for a month or more in advance, and to make plans for the allocation and use of those materials accordingly.
3. For example, the output from the production of all rehabilitated cement plants, whether resulting from military or AC efforts, should be divided between military and AC claims on the basis of a percentage to be fixed (and changed from time to time in the light of changing conditions) by the Industrial Co-ordination Committee.
4. The Industrial Co-ordination Committee is the logical group to make the overall decisions as to the allocation of output on the basis contemplated in paragraphs 2 and 3. Its percentage allocations could later be translated into specific tonnage allocations by the appropriate Committees of the Local Resources Board (e.g., the Engineering Materials Committee), on the basis of the statements

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3. For example, the output from the production of all rehabilitated cement plants, whether resulting from military or AC efforts, should be divided between military and AC claims on the basis of a percentage to be fixed (and changed from time to time in the light of changing conditions) by the Industrial Co-ordination Committee.
4. The Industrial Co-ordination Committee is the logical group to make the overall decisions as to the allocation of output on the basis contemplated in paragraphs 2 and 3. Its percentage allocations could later be translated into specific tonnage allocations by the appropriate Committees of the Local Resources Board (e.g., the Engineering Materials Committee), on the basis of the statements of availabilities from the authorities responsible for plant operation.

Recommendation:

It is recommended that the Industrial Co-ordination consider and where appropriate adopt percentage allocations of the output of basic industries, along the lines of paragraphs 2 and 3 above.

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PARTICIPATION BY THE ITALIAN GOVERNMENT IN THE

INDUSTRIAL COORDINATION COMMITTEE

1. In considering the membership and terms of reference of the Industrial Co-ordination Committee, the question has arisen whether the Italian Ministry of Industry, Commerce and Labour should be represented on the Committee, and if so in what capacity.
2. The Allied Commission believes that participation by the Ministry in the work of the Committee would be helpful to all parties concerned. AC is now attempting insofar as possible to have all operational functions in the field of industrial production performed by the Italians themselves. If the Italian Government is to assume an increasing measure of responsibility for the Italian economy, it is essential for its representatives to begin to participate in the discussions as to the use of that economy in furthering the war effort and in decreasing the extent to which Italy needs to call on the United Nations for essential civilian supplies. Moreover, it would help the Italian Government and people to understand the necessary limitations of supply and transport, and spur them to put forth their best efforts in the development of local resources, if they participate in the determinations on the allocation of the relatively meagre resources that are available.
3. The Allied Commission therefore recommends that a representative of the Italian Government be admitted to membership on the Industrial Co-ordination Committee.

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3. The Allied Commission therefore recommends that a representative of the Italian Government be admitted to membership on the Industrial Co-ordination Committee.

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HEADQUARTERS ALLIED COMMISSION
APO 394
CIVIL AFFAIRS SECTION

MEMORANDUM

Ref: 4/2.1/CA

Tel: 525

SUBJECT: Functions of the Sub-Commissions
of Civil Affairs Section in
Italian Government territory.

1) New AL.

TO: Chief of Staff.

INTRODUCTION

1. The purpose of this Memorandum is to set out shortly the functions and work performed by the Sub-Commission one in the Civil Affairs Section in Italian Government territory.

- a) In so far as the functions concern Sub-Commissions in Headquarters,
- b) The work of their representatives in the regions.

2.

The Sub-Commissions concerned are:-

Displaced Persons and Italian Refugees,
Education,
Legal,
Local Government Sub-Commission and Patriots Branch,
Monuments, Fine Arts and Archives,
Public Health,
Public Safety.

The main body of this Memorandum is divided into two parts, one part dealing with the functions in general of Sub-Commissions in Italian Government territory, and part two dealing with the particular functions which derive directly from presence of Allied troops in Italian Government territory. It is emphasised that this memorandum is NOT concerned with the many and various functions of Sub-Commissions, both at Headquarters and in the field, with regard to Allied Military Government territory.

Part I

Functions of Sub-Commissions in Italian Government territory.

4. a) LEGAL HEADQUARTERS

To act as legal adviser to the Chief Commissioner.

Advise and assist in the drafting of decrees submitted by the various Sub-Commissions in this Commission that negotiations are in progress between Sections of this Commission and the various Italian Ministries.

The reviewing of all cases being before Allied Military Courts.

Advise the Chief Commissioner on the approval of the higher appointments to the Italian Ministry of Justice.

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SUBJECT: Functions of the Sub-Commissions of Civil Affairs Section in Italian Government territory.

TO: Chief of Staff.

INTRODUCTION:

1. The purpose of this memorandum is to set out shortly the functions and organization of the Sub-Commissions in the Civil Affairs Section in Italian Government territory.

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b) The work of their representatives in the regions.

2. The Sub-Commissions concerned are:-

- Displaced Persons and Italian Refugees,
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- Legal,
- Local Government Sub-Commission and Patriotic Branch,
- Monuments, Fine Arts and Archives,
- Public Health,
- Public Safety.

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PART IFunctions of Sub-Commissions in Italian Government territory.4. a) LEGAL MATTER/ART 23

To act as legal advisor to the Chief Commissioner.
Advise and assist in the drafting of decrees submitted by the various Sub-Commissions in this Commission when negotiations are in progress between Sections of this Commission and the various Italian Ministries.
The reviewing of all cases heard before Allied Military Courts.
Advise the Chief Commissioner on the approval of the higher appointments to the Italian Ministry of Justice.

LEGAL MATTER/ART 23

To act as advisors to Regional Commissioners in legal matters and Italian Legislation.
To supervise and sit upon Allied Military courts if such be specially authorized.

b) LOCAL GOVERNMENT SUB-COMMISSION - HEADQUARTERS

Receive for approval from the Ministry of Interior changes of appointment which concern Prefectorial personnel originally appointed under Allied Military Government.

LOCAL GOVERNMENT SUB-COMMISSION - IN THE FIELD.

Not represented.

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c) ITALIO R. CONTI - HULDOUBERTS.

Advise the Chief Commissioner in all matters pertaining to the administration of law and order.

Advise and assist Italian Ministry of Interior in all matters connected with the Police Force and their organization.

Advise the Italian Ministry of the Interior with the Land Forces Sub-Committee with regard to matters connected with the administration and maintenance of that Force.

Deal with security matters in all parts of the country in conjunction with the Army Security branches.

Deal with the policy of movement control as required by economic condition and security.

d) THE ITALIAN SUB-COMMISSION - H. R. H. H. H.

Advise the Chief Commissioner in all matters connected with the administration of law and order.

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THE SECURITY OF THE CITY.
Many of investigations combined with the headquarters of the various,
both from a security and public angle.
In connection with the military forces cooperate with the various
police agencies or the government of law and order, control of movement
and control, investigations from different and different where allied
cases are connected.

During the last two years, the Government has been working to improve the health of the people of the United States. It has been successful in many respects, but there is still much to be done. The Government is now working to improve the health of the people of the United States. It has been successful in many respects, but there is still much to be done.

[illegible]

ST-COLLECTION OF THE VICTIMS.
 Assists the Director of Public Instruction and also acts for the continuance of works for the preservation of documents and in arts.
 Collect and collate the reports from officers in the field and transmit them to London, Washington and A.M.

Article 2 of the SUB-COMMISSION - IN THE FIELD.

See first and second paragraphs of the Commission and Higher Headquarters with regard to the occupation by Allied troops of communal buildings is carried out.

a) PATRIOTIC SERVICE - HEADQUARTERS

However, should large numbers of patriots come through the lines this Sub-Commission may have to take in hand the disposal, welfare and care of these persons in conjunction with the Italian Government in the area administered by it.

b) DISPLACED PERSONS SUB-COMMISSION - HEADQUARTERS

Work in close conjunction with the various international representatives in all matters connected with the welfare and feeding of displaced persons.

Coordinate with other Sub-Commissions of this Commission, and other military Headquarters (both higher and lower) movement of Italian refugees. This involves both the primary evacuation and the eventual repatriation of these persons.

5. This Section also coordinates the work of the Sub-Commissions concerned in this Section and in the Economic Section with a view to evacuation, mine clearance, and devastated areas. All Sub-Commissions are concerned with supervising execution of the first-mentioned; various other Sub-Commissions are concerned in the other two.

PART II.

6. Functions of Sub-Commissions deriving directly from the presence of Allied troops in Italian Government territory.

a) LEGAL SUB-COMMISSION

The setting up and conduction of Allied Military Courts. These are necessary to deal with the cases of which Allied personnel and stores are concerned. All such cases are reviewed in the Headquarters office of the Legal Sub-Commission. It is pointed out that these functions involve a considerable amount of work, and as an instance, the recent necessity for setting up special courts in the Bari area to deal with stealing from the ammunition dumps is quoted.

b) PUBLIC SAFETY SUB-COMMISSION

Organised the assistance given by Italian police units to Provost Marshal Assistants of the crimes for the maintenance of law and order among troops and the investigation of cases in which Allied personnel and stores are involved.

Formulating the policy and supervision of the execution of measures taken in V.E. control, and in any matters connected with the control of movement necessitated by outbreaks of epidemic diseases for security reasons.

c) PUBLIC HEALTH SUB-COMMISSION

Determining the requirements and the measures to be taken by the Italian Ministry of Interior in connection with epidemic and other disease control.

d) EVACUATION SUB-COMMISSION

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Coordinate with other Sub-Commissions of this Commission, and other military Headquarters (both higher and parallel) movement of Italian refugees. This involves both the primary evacuation and the eventual repatriation of these persons.

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b) PUBLIC SAFETY SUB-COMMISSION

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Participate in the policy and supervision of the execution of measures taken in V.D. control, and in all matters connected with the control of movement necessitated by outbreaks of epidemic diseases for security reasons.

c) PUBLIC HEALTH SUB-COMMISSION

Determine the requirements and the measures to be taken by the Italian Ministry of Interior in connection with epidemic and other disease control.

d) EVACUATION SUB-COMMISSION

Assist the Italian Government and determine the need requirements of the education authorities in cases where educational buildings are about to be, or have been, requisitioned for military purposes.

e) M.I.A. & A. SUB-COMMISSION

Are the channel through which settlement of cases arising from the occupation by Allied troops of monumental and semi-monumental buildings are made.

Planning of inspections of buildings so occupied.

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G. B. UPLAND, Brig,
VF 24 Section,
DCOS

SECRET.

HEADQUARTERS ALLIED COMMISSION

AFG 394.

Office of the Chief of Staff

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Ref: 216/008

21st November, 1944.

MINUTES OF ACTING PRESIDENT'S CONFERENCE - 20 NOVEMBER 1944.

The following Memoranda were submitted in support of the points outlined in the Agenda:-

- Memorandum "A" - Functions of the Sub-Commissions of the Civil Affairs Section in Italian Government Territory (By CA Sec).
- Memorandum "B" - Future of the Commission (By Chief of Staff).
- Memorandum "C" - Approval of Appointments of Italian Officials by the Allied Commission (By CA Section).
- Memorandum "D" - Approval of Decrees passed by the Italian Government (By CA Section).

1. Future of the Allied Commission.

./President asked the meeting to give special consideration as to what the implications were in connection with the removal of "Control" from the title of the Commission. He invited Brigadier Upjohn to read his Memorandum on the functions of the Sub-Commissions of the Civil Affairs Section in Italian Government Territory (Memorandum "A").

There were no comments on the introduction.

PART I.

Para 4(a) - Local Sub-Com. No comments.

Para 4(b) - Local Government Sub-Com. This Sub-Com is represented in the field by Civil Affairs Officers.

Para 4(c) - Public Safety Sub-Com. A/President asked whether in the event of Allied Public Safety Officers being withdrawn the Public Safety Sub-Com could be incorporated in the Local Forces Sub-Com for purposes of control. The answer was in the negative.

Para 4(d) - Public Health Sub-Com. Chief of Staff mentioned that the arrival of UNRRA would be of some assistance in the event of the with-

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4. Future of the Allied Commission.

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PART I.

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Para 4(b) - Local Government Sub-Com. This Sub-Com is represented in the field by Civil Affairs Officers.

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Para 4(d) - Public Health Sub-Com. Chief of Staff mentioned that the arrival of UNRRA would be of some assistance in the event of the withdrawal of Public Health officers.

Paras 4(e) and (f) were the subject of detailed discussion later in the meeting under Point 2(b) of the Agenda.

The general feeling of the meeting on this point was that many important functions performed by Allied officers in Italian Government territory could not be dispensed with.

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2. Concessions which might be made by Allied Commission in implementation of the Change of Title.

Chief of Staff read out Memorandum "B". Chief Commissioner curried the second sentence in para 2 regarding the exercise of control. He thought that up till recently a good degree of control had in fact existed, as for example, when the price of wheat was decided in May. Later, however, when the Italian Government announced the change in wage rates our control was very nominal. A/President compared the situation to the control exercised by the House of Lords. The discussion then turned to:-

(a) Removal of Officers in the Field from the Islands and Southern Region.

Chief of Staff said that even if we withdrew Provincial Commissioners retention of specialist officers of Economic Section would be necessary. Economic Section were prepared to give up field control and would exercise control from HQ. Finance Sub-Com were in agreement but thought that SOS would need to authorise certain arrangements. Political Section thought that it would be helpful for the overall political position if such officers could be converted to Liaison Officers. A/President said that the functions of our officers were:

- (i) to protect our direct military and Allied Commission interests;
- (ii) to protect our good name, if, for example, a school or hospital was requisitioned.

Major-General Lewis said that if AG officers were withdrawn it might throw extra functions on to Areas and Districts who would have to be consulted. A/President said that we should have to go sometime, the point was, when, and how little damage need be done. A good instance was the withdrawal of transportation and public utility officers of whom there were 26 in Southern Region. Major-General Lewis said that their withdrawal might be damaging to military interests.

The consensus of the meeting was that officers could be withdrawn from their appointments under the Allied Commission but in several instances would have to be replaced or returned under another name, e.g., as Liaison Officers attached to military formations (District, Area HQ).

(b) Abandonment of certain functions at HQ and in the Field.

Economic Section were prepared to withdraw certain officers in the field, for example, Supply Officers, but not from HQ. In CA Section, Brigadier Upjohn said that Monuments & Fine Arts Sub-Com could be withdrawn from Italian Government territory and the Chief Commissioner approved. Education officers were definitely required in AG territory. The decision as to whether they could be withdrawn from Italian Government territory depended on whether our policy was to abandon our control of education in Italy. The withdrawal of other Sub-Commissions officers would depend on the decision taken on Point 2(c) in the Agenda.

Chief of Staff thought that control of labour was necessary because of its relation with the armed forces. A/President thought that SOS would insist on some control as long as they were sending us supplies for distribution in Italy. Chief Commissioner said he thought the two most vexatious points of control were the control of appointment of officials and submission of Italian decrees for approval by Allied Commission (See

- central from HQ. Finance Sub-Com were in agreement but thought that CGS would need to authorize certain arrangements. Political Section thought that it would be helpful for the overall political position if such officers could be converted to Liaison Officers. A/President said that the functions of our officers were:
- (i) to protect our direct military and Allied Commission interests;
 - (ii) to protect our good name, if, for example, a school or hospital was requisitioned.

Major-General Lewis said that if AG officers were withdrawn it might throw extra functions on to Areas and Districts who would have to be consulted. A/President said that we should have to go sometime, the point was, when, and how little damage need be done. A good instance was the withdrawal of transportation and public utility officers of whom there were 26 in Southern Region. Major-General Lewis said that their withdrawal might be damaging to military interests.

The consensus of the meeting was that officers could be withdrawn from their appointments under the Allied Commission but in several instances would have to be replaced or returned under another name, e.g., as Liaison Officers attached to military formations (District, Area HQ).

(3) Abandonment of certain functions at HQ and in the Field.

Economic Section were prepared to withdraw certain officers in the field, for example, Supply Officers, but not from HQ. In CA Section, Brigadier Upjohn said that Monuments & Fine Arts Sub-Com could be withdrawn from Italian Government territory and the Chief Commissioner approved. Education officers were definitely required in AMG territory. The decision as to whether they could be withdrawn from Italian Government territory depended on whether our policy was to abandon our control of education in Italy. The withdrawal of other Sub-Commissions officers would depend on the decision taken on Point 2(c) in the Agenda.

Chief of Staff thought that control of labour was necessary because of its relation with the armed forces. A/President thought that CGAG would insist on some control as long as they were sending us supplies for distribution in Italy. Chief Commissioner said he thought the two most vexatious points of control were the control of appointment of officials and submission of Italian decrees for approval by Allied Commission (See Para 2(c)).

The consensus of the meeting was that all Sub-Commissions must remain in order to carry on the functions of Allied Commission in AMG territory and to plan for Kesselring's Italy: but that in respect of some Sub-Commissions (Education, Monuments & Fine Arts) all functions, and in respect of others, some functions, could be dispensed with in dealing with Italian Government Italy unless the Italian Government asked for assistance.

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(c) Demilitarization

Colonel risks was doubtful whether this proposal had been fully considered in Washington. A/President referred to three divisions of Italy in two of which uniform was essential, i.e., Kesselring's Italy and AMG territory. Economic Section raised the point of the competency of civilians selected as replacements. A/President asked whether there should be a balance between British and Americans as regards civilian and military personnel. Chief Commissioner said he wished a proper balance. Chief of Staff mentioned the question of exchange of officers. The general opinion of the meeting was that it was impossible for officers in AMG territory to perform their duties unless they were in uniform, and difficult in IG territory. A/President said he thought that there should be a balance maintained between British and American and, as regards interchangeability, that it might be possible to make certain appointments of civilians to posts at HQ, when each case should be decided on its merits.

The consensus of the meeting was that at this stage the appointment of civilians to posts in the field, either in AMG or Italian Government territory, was impracticable and that demilitarization of the Allied Commission should be confined to certain posts at HQ, the holders of which would clearly remain at HQ, maintaining as far as possible a balance between American and British.

(d) Appointment of Civilian Advisers.

Chief of Staff proposed the appointment of certain civilian advisers to be appointed to Ministries of the Italian Government as servants of the Italian Government, with residual responsibility to the Allied Commission. The general opinion of the meeting was that the adoption of such a measure now would be premature although it might be suitable after hostilities had ceased. Political Section said the Italian Government wanted the reverse procedure - Italian advisers appointed to the Allied Commission. A/President said that if his conception of Allied control was correct, the performance of the Sub-Commissions was to act as advisers. He would prefer the roles to be reversed and for the Italian Government, after the withdrawal of the Allied Commission (at end of hostilities) to come forward with a request for advisers.

(e) Surrender of Control by Allied Commission of Legislation and Appointment of Italian Officials.(i) Appointment of Italian Officials.

Brigadier Unwin produced Memorandum "C" on the question of appointment of Italian officials. A/President read this out. Chief Commissioner said that this surrender was the most important contribution IG could make in the elimination of "control" in the eyes of the Italian Government. In Appendix "C" to Memorandum "C" were the appointments which the Italian Government suggested should still be submitted to IG for approval. A/President asked whether we had any right to veto Ministers. Chief Commissioner said that we had by virtue of the secret agreement between General Macfarlane and Marshal Badoglio, which had been recognized by the present Government. A/President asked about diplomatic representatives. Political Section said that the Italian Government had submitted names for heads of missions but not for junior officials. The latter, however, could

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A/President expressed doubt as to the propriety of Allied Commission exercising control over appointment of Ministers, but said that this was a matter for the Allied Governments to decide. It was decided to accept List "C" as it stood with a very few additions to be made by Civil Affairs and Economic Section.

(ii) Approval of Decrees.

Brigadier Upjohn produced Memorandum "D" which the A/President read out. After discussion as to our legal rights over the approval of decrees, it was generally agreed that though IC had no specific right to be consulted on all decrees, the Italian Government usually

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submitted the more important decrees for approval, if not before discussion by Council of Ministers, at least before publication. Exceptions to this were the labour wage decree and the decree on the distribution of uncultivated land to the peasants. A/President said that we could not demand to see decrees as a right but it would be useful if we were consulted.

It was agreed that the IC had no legal right and should not attempt to obtain the right to scrutinise decrees, but that the necessary atmosphere of mutual confidence should be built up (sometimes perhaps by exercise of pressure), so that the Italian Government spontaneously submitted draft decrees on important subjects for discussion before they became law.

3. Organisation of the Economic Section.

DCOS, Economic Section, Mr. Antolini, read his paper on the subject of the set-up of his Section, and explained the functions of each Division and Sub-Commission. (Copy of this paper is with the A/President).

(a) Committee of Industrial Reconstruction.

He referred to this Committee as the central authority to which the various Ministries should refer.

(b) Labour Sub-Commission.

The Chief of Staff gave news of a cable just received from THOMPSON cancelling Mr. Brayne's appointment, on the authority of the Ministry of Labour. Amalgamation of this Sub-Commission with the Finance Sub-Commission was discussed but rejected.

(c) Transportation Sub-Commission.

DCOS, Economic Section described this Sub-Commission as having the function of implementing the planning made by the Priorities & Movement Division of his Section Staff.

4. Implementation of General Wilson's M.F. 840.

(a) Food Position of Italy.

DCOS, Economic Section submitted a paper showing the wheat assets and liabilities and the balance for the North which included all Northern Italy as well as the North-East portion. The A/President asked Mr. Antolini to give him the reference of the various letters and signals on which Mr. Antolini based his probable import figure of 788,000 tons from 1 November 1944 through June 1945, as mentioned in Para 44 of the paper. In regard to the amounts of wheat that we might find available in the North when we went in, Mr. Antolini mentioned a figure of 860,000 tons. The A/President asked him for a note on this. Mr. Antolini stressed the importance of obtaining a decision to raise the ration to 300 grams. He mentioned that if it were decided to raise the ration North of the GARIGLIANO it would not be possible to give effect to this before 15 December. The Chief Commissioner endorsed the importance of raising the ration if disorders were to be avoided.

(b) Miscellaneous Foods.

DCOS, Economic Section produced a paper on this, copy of which is with the A/President:-

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4. Implementation of General Wilson's W.F. 810.

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DCOS, Economic Section submitted a paper showing the wheat assets and liabilities and the balance for the North which included all Northern Italy as well as the North-East portion. The A/President asked Mr. Antolini to give him the references of the various letters and signals on which Mr. Antolini based his probable import figure of 788,000 tons from 1 November 1944 through June 1945, as mentioned in Para 11 of the paper. In regard to the amounts of wheat that we might find available in the North when we went in, Mr. Antolini mentioned a figure of 860,000 tons. The A/President asked him for a note on this. Mr. Antolini stressed the importance of obtaining a decision to raise the ration to 300 grams. He mentioned that if it were decided to raise the ration North of the GARIG-LIANO it would not be possible to give effect to this before 15 December. The Chief Commissioner endorsed the importance of raising the ration if disorders were to be avoided.

(b) Miscellaneous Funds.
DCOS, Economic Section produced a paper on this, copy of which is with the A/President:-

(i) Milk.
The A/President asked what was the fresh milk supply in Italy, to which he received the answer - negligible. Mr. Antolini was instructed to give the A/President a note on this.

(ii) Olive Oil.
DCOS Economic Section thought that with successful amassing the oil situation would not be bad.

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(c) Price of Bread.

Mr. Antolini submitted a paper on this, copy of which is with the A/President. After discussion it was agreed that the price release announcing the increase of the price of bread from 5 lire to 8 lire a kilo should be withheld until 1 December. General Spofford hoped that within this period of grace he would receive the approval of the CCS to raise the basic ration to 300 grams. In summing up the A/President stated that the price of bread should not be raised in this territory unless a 300 gram ration had been approved therein and that the Italian Government should be strongly urged to follow the same procedure in the territory for which they were responsible.

(d) Proposed plan for Italy under secretariat of Food.

DCOS Economic Section presented a paper on this, copy of which is with the A/President, who read it through and agreed in principle. Mr. Antolini pointed out that the plan required good administrative personnel. We must, he said, be careful not to hand back territory too soon.

(e) Essential Civilian Requirements.

DCOS Economic Section submitted a paper on this, copy of which is with the A/President. The A/President said that the vital points at issue were, were these requirements to be supplied as a military commitment for all Italy, including the Italian Government portion, or was there to be a distinction between the requirements for Italian Government territory and Allied Military Government territory. The A/President also stressed that there were four important points in regard to this matter:

- (i) Finance.
- (ii) Availability.
- (iii) Shipping.
- (iv) Port Clearance.

The first three were the responsibility of the CCS and port clearance was the problem of AFHQ and Allied Commission.

5. UNRRA.

After a short discussion it was agreed that Allied Commission could only accept UNRRA's proposals provided they were self-supporting in respect of:-

- (a) Supplies;
- (b) Ships;
- (c) Transport;

and that adequate facilities existed at the ports for their supplies. Until these were provided, the proposals of UNRRA were not practicable, except in respect of taking over Refugee Camps in the South.

6. Channels of Communication.

General Spofford read a paper, a copy of which he gave to the A/President setting out the personnel and functions of G-5, AFHQ. The A/President said that there were some matters which could be handled direct with CCS or the CCAG but even a copy to AFHQ, other matters which could be handled direct but with a copy to AFHQ, and that there were, of course, matters of a more technical nature (for instance, G-4 matters) which should continue to be handled by G-5 Section.

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- (d) Proposed plan for Italy under Secretariat of Peace.
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6. Channels of Communication.

General Spafford read a paper, a copy of which he gave to the A/President setting out the personnel and functions of G-5, AFHQ. The A/President said that there were some matters which could be handled direct with CCS or the COMUSMACV, other matters which could be handled direct but with a copy to AFHQ, and that there were, of course, matters of a more technical nature (for instance, G-4 matters) which should continue to be handled by G-5 Section. He directed that General Spafford's paper should be considered by the Allied Commission and specific proposals submitted in due course.

7. Relations between Allied Commission with the Political Section and the Allied Forces.

The A/President read a paper he had himself prepared on this subject. Reference was made to a letter written by the Chief Commissioner on 5th November, Ref: A/CC 201, on the subject of relations between the Italian Government and the United Nations. The A/President said that as he saw it there were two problems:

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(a) Can the Italian Government communicate with other Governments without their communications being scrutinized?

(b) If so, can they use ciphers?

It was agreed that to allow communications but to forbid ciphers really implied prohibition of communications of a secret nature. Mr. Hopkinson said that all outgoing communications of the Italian Government were, at present, read, except in the case of the Russians. Mr. Hopkinson also said there was a technical matter in regard to ciphers to which he would like the A/President to give consideration and on which he promised to submit a note.

CHIS/JC.

Brigadier,
Chief of Staff.

DISTRIBUTION:

Acting President, HQ. AC.
Chief Commissioner, HQ. AC.
Major-General R.C. Lewis, G-4, AEMQ.
Brig-General C.H. Spafford, G-5, AEMQ.
Chief of Staff, HQ. AC.
IGCS, CI Section.
DGCS, Economic Section.
DGCS, Establishment Section.
V.P., Political Section (2)
DCCAO, HQ. AAI.
Col. Geoffrey Smith, Finance Sub-Com.
File.
Spare (3).

Es

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Chief of Staff

Tel: Ext 500

Ref: 216/CNS21 November 1944

SUBJECT: Acting President's Meeting - 20 November 1944.
TO : Distribution Below.

1. The attached memorandum, reference 9/1A/CA dated 10 November 1944, is substituted for Memorandum "D", reference 9/1713/CA dated 18 November 1944, submitted at the meeting on 20 November 1944.

G. W. I. SHIPP

f
Brigadier,
Chief of Staff.

Encl.

DISTRIBUTION:

1 cc: Chief Commissioner.
Major-General Lewis, G-4, AFHQ.
Brigadier-General Spafford, G-5, AFHQ.
Chief of Staff
DCS, Civil Affairs Section
DCS, Establishment Section
DCS, Economic Section
V, Political Section —
Col Geoffrey Smith

4075

SECRET

DRAFT

Ref:- 9/1 A/CA

SUBJECT:- Approval of the appointment of Italian officials by A.C.

TO:- Acting President, Allied Commission.

15 Nov '44.

1. It is requested that clarification may be obtained as to the policy which should be adopted by the Allied Commission in the approval of appointments made by the Italian Government in Italian Government territory, i.e. territory which has been handed back to the administration of the Italian Government and is no longer administered by Allied Military Government. For your information the following is a brief history of the policy hitherto adopted by the Allied Commission, and a statement of the present position.

2. Shortly after the first handover of territory to the Italian Government which took place on the 11th February '44, there was an exchange of letters between the then Chief Commissioner, Lt. Gen. Sir Noel Mason MacFarlane and the then Prime Minister Marshal Badoglio. (Copies of these letters are at App. "A"). In effect by these letters it was agreed that all senior Government appointments would be subject to the prior approval of the Commission.

3. Details were worked out between the Sub-Commissions and the Ministries concerned as to the level down to which appointments made by the Italian Government would be subject to the Commission's approval. Appendix "B" Part I gives a list of offices as finally agreed between the Commission and the Government which were to be subject to the Commission's approval.

With regard to Sub-Commissions in the Economic Section, no detailed arrangements were made, but the practice grew up whereby the Ministries concerned did in fact submit for approval, to the appropriate Sub-Commission, appointments down to the level set out in App. "B" Pt II.

4. The arrangements so made have worked quite smoothly in practice. It is fair to say that in the vast majority of cases no difficulty has arisen and appointments have been approved almost as a matter of course, but the right of approval has proved useful in practice, and occasionally approval for good reason has been withheld and the Italian Government has been required to submit another appointee for the office.

5. Recently, and in view of the change of name of the Commission, the Italian Government has requested that the practice be revised and they have submitted a very short list of offices which they suggest should be submitted to the Commission for approval. (App. "C").

6. It appears to be a matter of overall policy as to whether or

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5. Recently, and in view of the change of name of the Commission, the Italian Government has requested that the practice be revised and they have submitted a very short list of offices which they suggest should be submitted to the Commission for approval. (App. "C").
6. It appears to be a matter of overall policy as to whether or not the Commission should agree to the revised list. It is the opinion of the Civil Affairs Section that the list is too short, and that at any rate the names of directors of personnel in each Ministry should be submitted to the Commission for approval. The main reason for this is that appointments in Allied Military Government territory are always made by the Allied Commission, but in practice the Italian Government is normally consulted over such appointments, and it seems desirable that the Director of personnel should be the person approved by the Commission.
7. In view also of the importance of the C.C.P.R. in Military Government territory, and the important negotiations now in train with

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regard to the reorganization of that body, it is suggested that the senior staff officers of the Commanding General G.C.M.R. should be subject to approval, and also appointments to the Court of Cassation, the supreme judicial body of the country.

8. In this connection it must be remembered that in the secret terms agreed between the Commission and the Italian Government on each successive restoration of territory to the administration of the Government, it is always provided that no person appointed by the Allied Military Government may be removed, except with the consent of the Commission. If policy demands that the Italian Government is to have greater latitude in future, then it would seem necessary to modify or abandon this term, because so many appointments involve removal or transfer which requires the consent of the Commission, and thus indirectly the Commission controls appointments in many cases on a far lower level than those indicated in App. "B". Except as a matter of "amour propre" there does not seem to be any objection to abandoning this provision.

G R Lippin

G.R. LIPPIN. Brigadier.
VP OA Sec.
D.C.C.C.

Ref: CC/P/134/000.1

Recent events over certain appointments have shown that it is clearly desirable for us to have a mutually satisfactory arrangement to prevent misunderstandings and subsequent difficulties which it is in all our interests to avoid. I would suggest, therefore, that it should be agreed that you will let me know before any appointment to the Government is actually announced. Equally, I should be glad if you will impress upon all the members of your Government that they should, in turn, consult the appropriate authorities in the Allied Control Commission before making any senior appointments in their own departments either at the seat of the Italian Government or in those provinces under Italian jurisdiction. As they already enjoy close and friendly relations with the Sub-Commission with whom they work, this should be an easy matter to arrange. It is clear that each minister must be strictly accountable for all appointments in his department and the arrangement which I propose should be to their interests in carrying out the work which we are doing together.

I should be glad if you will let me know whether you are in full agreement with the proposals made in this letter. If so, I will give the necessary instructions to the various heads of Sections and Sub-Commissions of the Allied Control Commission as soon as you confirm that members of your government have been notified of our agreement.

NOEL MASON MC FARLANE,
Lieutenant General
Chief Commissioner.

H E Marshal Pietro Badoglio
Capo del Governo.

Salerno, 13 March, 1944,

Dear General,

After having worked with me for quite some time, you know that it is my absolute decision to proceed in any matter in full accord with the Allied Control Commission over which you preside.

"with regard to this, at next Thursday's Council of Ministers, I shall give definite orders to the effect that no government appointment be made without previous agreement with the Commission

I hope that the same feelings prevail with the Control Commission toward us, so that it might be possible to come, in common agreement, to a revision of certain positions given to certain persons in the provinces recently turned over to the Italian Government, and which render nearly impossible a normal functioning of government.

4073

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I hope that the same feelings prevail with the Control Commission toward us, so that it might be possible to come, in common agreement, to a revision of certain positions given to certain persons in the provinces recently turned over to the Italian Government, and which render nearly impossible a normal functioning of government.

With cordial greetings,

/s/ Badoglio.

To General Noel Mason MacFarlane
Chief of the Allied Control Commission,
Naples.

1904

APPENDIX "B" TO 9/14/54 dated 18 Nov 44.

LEGAL

First Presidents of Courts of Appeal
Consellers of Cassation and Appeal
Procuratori Generali
Sostituti di Procuratori Generali
Presidenti di Tribunali
Procuratori del Re
Primo Pretori (of towns of pop. 50,000)

INTERIOR

Prefects
Vice Prefects
Vice Prefect Inspectors
Consiglieri Primo Grado
Consiglieri Secondo Grado
First Secretary to Prefect
Special Secretary
Director of Religious Affairs
Sindaci) of communes of
Town Clerk) - pop. 15,000

PUBLIC SAFETY

Legion Commanders CC.RR.
Legion Commanders Guardia di Finanza
Questori Public Security Service.
Regional Directors Prison Service
Commandants (and upwards) Fire Service.

EDUCATION

Rectors
Professors (titular)
Presidi of Faculties
Academy Inspectors of
schools (local and centralised)
Heads of Divisions in Ministry
of Education
Provveditori
Presidi of Schools
Inspectors of Schools
University Lecturers.

PUBLIC HEALTH

Chief Medical Officer at
Ministry of Interior.

1905

Consollors of Cassation and Appeal
Procuratori Generali
Sostituti di Procuratori Generali
Presidenti di Tribunali
Procuratori del Re
Primo Pretori (of towns of pop. 50,000)

PUBLIC SAFETY

Legion Commanders CC. 73
Legion Commanders Guardia di Finanza
Questori Public Security Service.
Regional Directors Prison Service
Commandants (and upwards) Fire Service.

PUBLIC HEALTH

Chief Medical Officer at
Ministry of Interior.

Vice Prefects
Vice Prefect Inspectors
Consiglieri Primo Grado
Consiglieri Secondo Grado
First Secretary to Prefect
Special Secretary
Director of Religious Affairs
Sindaci) of communes of
Town (Clark) - pop. 15,000

EDUCATION

Rectors
Professors (titular)
Presidi of Faculties
Academy Inspectors of
schools (local and centralised)
Heads of Divisions in Ministry
of Education
Provveditori
Presidi of Schools
Inspectors of Schools
University Lecturers.

1906
"App. B2 to 9/LA/CA da. d 18 Nov '41."

SUBJECT:- Level at which Appointment of Italian Officials should be approved by Allied Commission.

FINANCE: All appointments down to the level of Grade 4, Commissari, Direttori Generali, Segretari Generali of banks, insurance companies and other finance institutions clothed with public interest. Other appointments which the Italian Government may believe to be of interest to the Commission.

PUBLIC WORKS AND UTILITIES: Appointments down to Grade 5 (Ispettore Generale del Genio Civile, Capo Compartimento, etc).

COMMERCE & INDUSTRY: Heads and Deputies of Direzione Generale, titular and managing directors of industrial or parastatal institutions. Vice Commissaries of important companies.

LABOUR: Commissioners of National Insurance Agencies and other national agencies formerly linked into the Fascist cooperative structures concerned with such labour matters as welfare, assistance, protection and safety of workers. Appointments to the position of Regional and Provincial labour Director.

AGRICULTURE: Chiefs of Ministerial Bureaux such as Bonifica and Upaca, Compartimento officials of the rank of agricultural Inspectors and Consorzio Agrario officials.

TRANSPORTATION: Director of Mercantile Marine, Principal Inspector of the General Inspectorate of civil motorisation and transportation concessions. Director General of the Italian State Railways.

SHIPPING: Commissioners of the four subsidised Italian steamship companies, "Italia", "Adriatica", "Tirrenia" and "Oriens", formerly "Lloyd Triestino".

FOOD: Direttore Generale dell'Alimentazione and the Head of the Ufficio Nazionale dell'Approvvigionamento e Distribuzione Alimentare.

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Government may believe to be of interest to the Commission.

PUBLIC WORKS AND UTILITIES: Appointments down to Grade 5 (Ispettore Generale del Genio Civile, Capo Compartimento, etc.).

COMMERCE & INDUSTRY: Heads and Deputies of Direzione Generale, titular and managing directors of industrial or parastatal institutions. Vice Commissioners of important companies.

LABOUR: Commissioners of National Insurance Agencies and other national agencies formerly linked into the Fascist cooperative structures concerned with such labour matters as welfare, assistance, protection and safety of workers. Appointments to the position of Regional and Provincial Labour Director.

AGRICULTURE: Chiefs of Ministerial Bureaus such as Emigrazione and Unice, Compartimento officials of the rank of agricultural Inspectors and Consorzio Agrario officials.

TRANSPORTATION: Director of Mercantile Marine, Principal Inspector of the General Inspectorate of civil motorisation and transportation concessions. Director General of the Italian State Railways.

SHIPPING: Commissioners of the four subsidized Italian steamship companies, "Italia", "Adriatica", "Tirrenia" and "Oriens", formerly "Lloyd Triestino".

FOOD: Direttore Generale dell'Alimentazione and the Head of the Ufficio Nazionale dell'Approvvigionamento e Distribuzione Alimentare.

1908

APPROPRIATE "C" TO 9/14/04 dated 18 Nov 44

Ministri e Sottosegretari di Stato
Capo di Stato Maggiore Generale dell'Esercito
Capo di Stato Maggiore Esercito
Capo di Stato Maggiore Marina
Capo di Stato Maggiore Aviazione
Principali Rappresentanti diplomatici
Alto Commissario per l'Epurezione
Vice Alti Commissari per l'Epurezione
Direttore Generale della Pubblica Sicurezza
Comandante Generale dei Carabinieri

Added Suggestions:-

High Commissioners for Sicily and Sardinia.

Capo di Stato Maggiore Marina

Capo di Stato Maggiore Aviazione

Principali Rappresentanti diplomatici

Alto Commissario per l'Epurezione

Vice Alti Commissari per l'Epurezione

Direttore Generale della Pubblica Sicurezza

Comandante Generale dei Carabinieri

Added Suggestions:-

High Commissioners for Sicily and Sardinia.

4070

1910