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Advisory Council Drafts

Oct. 1944 - Mar. 1945

HEADQUARTERS ALLIED COMMISSION
Office of the Chief Commissioner
APO 304

CG 833.

POLITICAL REVIEW BY REAR ADMIRAL ELLERY W. STONE
for presentation at the
32nd MEETING OF THE ADVISORY COUNCIL FOR ITALY, 2 MARCH 1945

Gentlemen:

During the past month, events in Italy have not unnaturally been overshadowed by the Orinosa Conference. So soon as the news broke in the world press that the long expected meeting of the Big Three had begun, speculation ran high in this country as to the possibility of decisions being taken at the Conference which would materially affect Italy's position. The Italian Government have all along been pressing the Allied Governments to clarify the country's status of co-belligerency and, if possible, accept Italy as one of the United Nations. This pressure was translated into a concrete request for the grant of Allied status in a telegram addressed simultaneously to President Roosevelt, Mr. Churchill and Marshal Stalin which was passed to me in the first instance for onward transmission on February 8th. As you are aware, the communique issued at the conclusion of the Conference made no reference specifically to Italy and I fear that keen disappointment was felt by all Italians. This disappointment was however in some measure offset by the news that the British Labor Conference which was sitting in London at the time had invited the Italian General Confederation of Labor to send its representatives to London and also by the release on February 24th of the news of the imminent implementation of the new Combined Chiefs of Staff directive to the Commission. As I have already addressed you on this last subject, I will not now make more than this passing reference to it.

Turning to domestic affairs, I have to report that the Council of Ministers

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During the past month, events in Italy have not untypically been overshadowed by the Crimea Conference. As soon as the news broke in the world press that the long expected meeting of the Big Three had begun, speculation ran high in this country as to the possibility of decisions being taken at the Conference which would materially affect Italy's position. The Italian Government have all along been pressing the Allied Governments to clarify the country's status of co-belligerency and, if possible, accept Italy as one of the United Nations. This pressure was translated into a concrete request for the grant of Allied status in a telegram addressed simultaneously to President Roosevelt, Mr. Churchill and Marshal Stalin which was passed to me in the first instance for onward transmission on February 8th. As you are aware, the communiqué issued at the conclusion of the Conference made no reference specifically to Italy and I fear that keen disappointment was felt by all Italians. This disappointment was however in some measure offset by the news that the British Labor Conference which was sitting in London at the time had invited the Italian General Confederation of Labor to send its representatives to London and also by the release on February 24th of the news of the imminent implementation of the new Combined Chiefs of Staff directive to the Commission. As I have already addressed you on this last subject, I will not now make more than this passing reference to it.

Turning to domestic affairs, I have to report that the Council of Ministers met on February 7th and tackled the difficult problem of the "political price" of bread. After long discussion, it was decided to abolish the political price as soon as possible since it had become "an intolerable burden to the State". The Council also expressed its unanimous conviction that the needy classes must be compensated for the effect of this action and instructed the competent ministries to prepare concrete suggestions so that the "necessary operation of bringing the price of bread up to its real cost might have the character of an act of national

solidarity". The Council met again on February 16th and the political price of bread was definitely established. It was announced at the same time that in order to compensate the poorer classes for the increase in the price of bread "opportune increases" would be made in the pay of State employees with effect from February 15th, and that similar increases would be granted to workers in private industries, the details of which would be worked out between the unions and the employers. The Council at the same meeting also approved various measures for the protection of the Treasury, such as the institution of a special committee to reduce State expenditure by cutting non-essential items from the budget and the setting up of a National Solidarity Fund to which it is hoped new voluntary contributions will be made. Certain revenue tax increases were planned and local elective committees are to be empowered to aid the Treasury in estimating incomes. The Council again stated that the goods of high-ranking Fascists would be confiscated and that the war excess profits taxes already in force would be extended to farmers - a class hitherto exempt. Further the pay of troops is to be doubled. As regards control of prices it was announced that the interministerial committee had suggested that co-operatives and communal kitchens should be set up and encouraged. The Food Commissariat was given wide powers to control markets and supplies. On February 23rd the Government decreed a special "caropene" indemnity of 95 lire for the poorer ranks of State employees. This indemnity goes a long way to lessen the effect of the increase in the price of bread from 5 lire the kilo to the estimated 16 lire the kilo. Two days before, the Government and the Allied Commission had jointly announced that as from the 1st March the bread ration for all liberated Italy would be 200 grams or its equivalent - for example, 200 grams of bread daily and 550 grams of pasta weekly. On the whole, public opinion, as reflected in the press, has reacted very favourably to these developments. The public will naturally judge by results.

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Among other activities, the Government announced on February 6th that they had been studying closely the problem of Italian Prisoners of War in Allied hands. It was stated that there are 340,000 prisoners in British hands, 110,000 held by the Americans and 35,000 held by the French. 670,000 soldiers and "several hundred thousand" civilians are detained in Germany and are not given the proper status of war prisoners since Germany does not recognise the Eonomi Government. The statement added that accurate figures on prisoners held by the Russians are unobtainable. This objective report of the Government was not well received by the press which

insisted that the prisoners detained by the United States should be repatriated and that Germany should be compelled to give recognised status and better treatment to those in German hands. The news that Count Carandini had assumed the protection of Italian interests in the United Kingdom - hitherto the charge of the Swiss Legation in London - was however hailed with satisfaction as it was realized that the prisoner of war question is the chief Italian interest in the United Kingdom at the present time.

At its meeting on February 8th, the Council of Ministers set up a new Commissariat for Veterans. This Commissariat will deal not only with Veterans but also with civilians in the areas to be liberated and, through the Partisan organisations, will also be concerned with assistance for the patriots. Signor Gasparotto has been named High Commissioner.

After the news of the unsatisfactory reaction to the call-up in Sicily and Southern Italy, I am glad to be able to report that the response in Sardinia has exceeded all expectations and that to date more than 90 per cent. of the classes called to the colors have responded to their reporting centers. Moreover, there has been an encouraging increase in the voluntary enlistment of former patriots in the Italian Army. It is difficult to assess why this change in feeling should have come about, but it is perhaps not imprudent to suggest to you that the improvements made for the reception of recruits and the maintenance of their families during the period of their service with the colors together with the feeling which has been steadily gaining ground that the combat units of the Italian Army are acquitting themselves well at the front have largely influenced the attitude of young Italians in answering the Government's appeal.

In connection with the foregoing, I should like to mention that I attended the ceremonies which took place in Rome on the 18th February to celebrate the Day of the Soldier and Partisan. Signori Bonomi, Cesati and Spocimirro made

speeches and were well received. The grounds in the Piazza del Popolo were

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During the past few weeks there has been unfortunately a certain amount of trouble with the local press in the matter of the distribution of newsprint. The Italian press as a whole has exploited to the full the freedom of the press

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There is very little to report on Italy's international relations apart from what I have already said on the subject of the new directive. Much publicity was given in the Italian press to the report of Congressman Marcanonio's intention to ask the House to make Italy a full Ally. Signor Bonomi's statement that the armistice "does not prejudice Italy's future" was also welcomed particularly when reinforced by the declaration of the United States Acting Secretary of State, Mr. Grew, that "there is no article in the armistice concerning future territorial arrangements." Signor Turchiani left for Washington last week and has arrived safely at his new post. Duke Gallarati Scotti, the new Ambassador to Spain, has also reported his arrival in Madrid. There is still much speculation in the press as regards the resumption of diplomatic relations between Italy and France and it is hoped that a statement will be made in the very near future.

That, Gentlemen, concludes my report.

Copies to:
 Chief of Secretariat, Advisory Council (2)
 U.S. Representative, ACI
 British Representative, ACI
 Soviet Union Representative, ACI
 French Representative, ACI
 Yugoslav Representative, ACI
 Greek Representative, ACI
 Political Section, ALCON
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SECRETARIAT
ADVISORY COUNCIL FOR ITALY

Rome, February 24, 1945

The Secretariat has the honor to transmit herewith
a copy of an excerpt from the preliminary draft of the
minutes of the special meeting of the Advisory Council
for Italy held in Rome on February 24, 1945 under the
chairmanship of the United States Representative.

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Enclosure:

Excerpt from draft of minutes.

POLITICAL SECTION,
ALLIED COMMISSION
Rome.

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[Signature]

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... as is hoped, a satisfactory
solution of the Italian prisoners of war problem can be worked out
the Allied Commission will have contributed considerably in strengthening
the position of the Italian Government.

Rome, February 24, 1945.

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SECRETARIAT
ADVISORY COUNCIL FOR ITALY

Rome, February 26, 1945

The Secretariat has the honor to transmit herewith,
for comments and approval, a copy of the preliminary draft
of the minutes of the special meeting of the Advisory Council
for Italy on February 24, 1945.

Enclosure:

Minutes of Meeting.

POLITICAL SECTION
ALLIED COMMISSION

Rome.

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