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

ACC

10000/136/166

MEETINGS
APR. 1944

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

10000/136/166

MEETINGS & CONFERENCES, MISC.
APR. 1944 - AUG. 1946

0897

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558/CC

Office of the
Chief Commissioner

ALLIED COMMISSION

LIST OF PAPERS

File under No. 558 MEETINGS & CONFERENCES, MISCELLANEOUS

SECRET

SERIAL NUMBER	FROM—	DATE	TO—	SYNOPSIS

1197

SECRET

0898

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

Chief Comm

SEP 3 1946

HEADQUARTERS ALLIED COMMISSION
APO 794
ECONOMIC SECTION

Ref: ES/1.27 27 August 1946

MINUTES OF THE ECONOMIC SECTION
STAFF MEETING HELD 26 AUGUST 1946

PRESENT:

Economic Section	Brig. M. Carr Lt. Col.C.G.Webster Jr Capt.Delos De John Lt. Gilbert Mellin
Industry & Utilities Branch	Major T.G. Elliott
CFM Branch	Lt/ Col. J.W.Campbell
Food & Agriculture Branch	Lt. Col. R.R.Snapp
Commerce (FT) Branch	Maj. G.A.F.Rothey

Meeting opened at 1600 hours. Brig. Carr presided.

1. Brig. Carr announced that he expected an order would be cut stating he would continue his duties as Acting Vice President of the Economic Section and also as Chief of the Civil Affairs Section, and that the two Sections will remain separate.

2. Brig. Carr requested that each Branch prepare a nominal roll of civilian employees, showing the name and classification and should turn it in to Lt. Col. Webster. These lists can be put in a folder, passed around frequently and any reductions or increases made can be clearly shown. Allied Civilian personnel should be shown on a separate sheet.

1196

Brig. Carr announced that he was seeing all correspondence and when papers were passed out from the A/VP's office for action by Branches of the Economic Section, this action must be followed up to the final preparation of letter. It can be put, if necessary, in draft form (double spade) for consideration but not in the form of notes for the drafting

0899

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to be done in the V.P.'s office

3. Lt. Col. Campbell announced that only six releases had been handled this past week, and that there are 150 release notes still to be returned by ARARto us. We have actually released the material to A.R.A.R., but have not receive the signatures.

Lt. Col. Campbell was instructed to discuss the question of collection of outstanding debts for salvage with the A/VP.

4. Lt. Col. Snapp reported that the wheat situation had remained stationary for the second consecutive week, the amassing and imports being approximately equal to the weekly consumption. If this balance can be kept through September the present bread and pasta rations will be covered until the middle of next February. The present stocks of flour are estimated to be sufficient to last for 135 days, or 1,689,868 tons and the amassing is still continuing.

Amassing - Collections during the week ending 2 August were 106,958 tons or nearly twice those of the previous week. The low figure reported last week is apparently due to the mid- summer holidays observed in many provinces on 15-16-17 August. Total collections to 22 August were 1,970,285 metric tons or 82.8 per cent of estimated goal.

Premiums of 300 lire previously paid to farmers fo deliveries of wheat before specified dates to be continued if the wheat is deliveredwithin 8 days from the time it is threshed In Northern Italy the pricenow paid for hard wheat per quintal is 2,900 lire, in Central Italy 3,000 lire, and in Southern Italy 3,150 lire. In Northern Italy the price now paid for soft wheat per quintal is 2,550 lire, In Central Italy 2,650 lire and in Southern Italy 2,800 lire.

The wheat stocks in Udine were 39,457 tons on 22 August or sufficient to support the present bread ration until 8 March and the pasta ration through December.

The wheat situation in Venezia Giulia is not very good as there is not much local wheat. There is sufficient wheat for bread to 3 October, but pasta flour only for the August issue. However, arrangements have been made to borrow 2,000

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tons of flour from Udine which will be paid back from the next shipment which is expected in September.

5. Maj. Elliott announced that the coal situation is good. The figures quoted last week of 700,000 tons for arrivals in August are expected to be met. 77 ships have been programmed for loading in U.S. ports and 48 of those have sailed up to 22nd August. Arrivals of coal from other sources are anticipate to be up to schedule.

Sardinian coal production up to 19 August amounted to 50,638 tons. This shows a drop over last month, but it can be accounted for by two days extra holiday in the same period.

The P.O.L. stocks are still satisfactory and remain at the 60 day level.

The agricultural institute at Macerata has been derequisitioned and also a villa at Senigallia.

6. Maj. Rothey announced that he had been receiving requests from the Ministry of Industry and Commerce and Ministry of Foreign Commerce to assist the Italian firms who have made contracts with German firms for supplying certain materials, for example generators, looms. Most of these materials have been partially paid for. Lt. Col. Campbell felt that in cases like these the debt was between two firms and did not concern A.C. Brig;Carr requested Lt.Col. Campbell and Major Rothey to discuss the matter further and it may be necessary to draft a letter to AFHQ to find out what the policy is.

7. Lt.Mellin reported that he was leaving for Venezia Giulia and Udine on 27 August.

8. Capt. De John commented on his difficult attempts to contact the various Italian Ministries. Col.Webster suggested that in the future if he would speak to the A.V.P's office an appointment would be made for him in the name of the Economic Section and doubted if he would have any trouble.

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9. Brig.Carr Discussed in detail the minutes of the meeting with Col.Bright and asked that each member present follow up on certain matters contained therein.

The meeting adjourned at 1700 hours.

CARLOS G. WEBSTER JR.
Lt.Col. FA
Chief Staff Officer.

Chief Comm.

HEADQUARTERS ALLIED COMMISSION
APO 794
Economic Section

AUG 24 1946

Ref: ES/1.27

20 August 1946

MINUTES OF THE ECONOMIC SECTION
STAFF MEETING HELD 19 AUGUST 1946

PRESENT:

Economic Section	Col. Charles W. Walton Lt. Col. C.G. Webster Jr. Capt. Delos De John Lt. Gilbert Mellin
Industry & Utilities Branch	Col. H.M. Walker Major T. G. Elliott
CEM Branch	Lt. Col. J.W. Campbell
Food & Agriculture Branch	Lt. Col. R.R. Snapp
Commerce (FT) Branch	Maj. G.A.F. Rothey
Transportation & Shipping	Lt. Col. A.H. Street
Public Relations Officer	Col. Montague Capt. Judinkin Brig. M. Carr

Meeting opened at 1600 hours. Colonel Walton presided.

1. Col. Walton announced that Capt. Judinkin is a successor to Col. Montague.

2. Col. Walton stated that this was his last meeting with the Economic Section as he would be leaving shortly for a new assignment and that it had been a great pleasure to work with each member present.

3. Brig. Carr announced that a proposal had been made that he take over Col. Walton's position in addition to his regular duties as Vice President of Civil Affairs Section.

4. Lt. Col. Snapp commented on the food surpluses in Venezia Giulia and Udine. The plan for handling Udine's surplus is satisfactory and AFHQ has been notified of it. Udine has made a careful inventory of stocks needed by ration card holders through 31 December, which amounts have been set aside for such issues. The balance will be supplied to the cooperative stores and to special classes. Venezia Giulia has made no decreases in its surpluses during the last two months and their present stocks of all items are larger than on 10 Jun with the exception of sugar. Meat stocks are especially large relative to current needs. Col. Walton suggested that Col. Snapp, or possibly Lt. Mellin or Maj. Rothey visit Venezia Giulia to assist the local Food Officer in preparing plans to utilize these surpluses.

1114

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

	Lt. Gilbert Mellin
Industry & Utilities Branch	Col. H.M. Walker Major T. G. Elliott
CRM Branch	Lt. Col. J.W. Campbell
Food & Agriculture Branch	Lt. Col. R.R. Snapp
Commerce (FT) Branch	Maj. G.A.F. Rothey
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5. Maj. Elliott reported that there has been no change in the coal situatio as outlined in last week's report. Approximately 700,000 tons are due to arrive this month as follows:

Ruhr coal	115,000 tons
U.S. coal	550,000 tons
South African coal	18,000 tons
Polish coal	15,000 tons
U.K. coal	10,000 tons
total	708,000 tons

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There is a possibility of a cut in the September allocations from the Ruhr.

Sardinian coal production up to 11 August amounted to 30,826 metric tons, which is about the same as last month's figure for the same period.

The P.O.L. stocks remain at approximately the 60 day level.

The increase of prices for P.O.L. products is being investigated as the present prices are resulting in a loss.

The electricity situation in Southern Italy at the Capuano steam plant was increased from 150,000 to 300,000 KWH per day because of the bad situation of the hydroelectric plants and the necessity to maintain a sufficient water storage in the Sila reservoirs. In Central Italy droughts still persist and about 145,000 KWH are being imported from Northern Italy and may be continued through September. The situation in Northern Italy is normal.

6. Lt. Col. Snapp announced that the wheat situation is about the same as last week. Deliveries of wheat to the amasso for the week were only 52,700 tons. On 15 August the total collections were 1,863,327 metric tons, or 78.3 per cent of the initial goal. There are rumors now that the goal may soon be increased to 2,500,000 (now it is 2,379,852.)

The authority granted by the Ministry of Food for officers to buy olive oil in the olive producing sections has been repealed. Farmers who had complied with the amassing decree claimed that they were discriminated against as they had received prices much below those in effect now. Consumers complained that the black market price of oil has increased due to heavy purchases of oil by the Provincial Food Officers.

The Deputy High Commissioner of Food, Dr. Sansone, presented Italy's 1946-47 cereal requirements to representatives of the USDA and their reaction was unfavorable. His report called for nearly 3,000,000 tons of imported cereal based on a ration of 250 grams of bread daily and 3,000 grams of pasta monthly. The Committee stated that Italy would be fortunate to receive one-half this amount of foreign grain.

Lt. Col. Snapp inquired from the Deputy High Commissioner about rescinding the restrictions on the military and civilians eating in public restaurants. Restrictions are being imposed on restaurants to limit the amount of food served, particularly the number of courses, and ration tickets must be turned in for pasta, bread, etc., so for the time being no action will be taken.

7. Col. Walton inquired how long it would require to turn all C.E.M. over to the Italian Government, providing we had the receipts, and should this decision be made. Lt. Col. Campbell stated it would take about two weeks.

8. Maj. Elliott announced that he expected the derequisitioning of a precision instrument factory in Rome once belonging to the Italian Army and also of a food factory in Naples., the latter being promised for about the middle of next month.

9. 9. Lt. Col. Street announced there is a shortage of 54,000 wagons to move expected traffic for October as heavy traffic was expected including coal,

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9. 9. Lt. Col. Street announced there is a shortage of 54,000 wagons to move expected traffic for October as heavy traffic was expected including coal, wheat, sugar beet to the factories and Italian military traffic. He stated that he was attending a meeting at UNRRA the next day and would inform us of the results. It is expected that a Committee will be set up to fix priorities for use of wagons. It has been agreed to increase the sugar ration three times and the Italians claim they have sufficient. 300,000 tons is the estimated amount for this year.

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10. Col. Montague reported that the labor front is much quieter. The Italian Government has decided there will be no dismissals until 30 September.

11. Lt. Mellin announced that the 42 x 9 truck tire procurement had suffered a setback. Arrangements had been made for 1,000 of these tires and when we went to collect them from 557 BOD it was claimed that A.C. had moved them out in May. No such information has been found available upon checking with ARAR and AFHQ. In case these tires cannot be located Venezia Giulia/Udine will be in a difficult position. Col. Walton suggested that perhaps we could obtain tires fr other parts of Northern Italy.

Requisitions for Venezia Giulia/Udine are being prepared for the first half of 1947 and requisitions under LAC Airgram 148 are being refined.

The exchange of blankets for raw cotton in Trieste with UNRRA is still in process. A letter has been written that the deal be approved, but as far as is known Col. Stephens has not received a letter from UNRRA.

12. Maj. Rothey stated that Venezia Giulia should get out a program of the Reserved Commodity List.

13. Col. Walton announced that he had prepared a memorandum to the Chief Commissioner in which he undertook to outline the remaining functions of the Economic Section, that this would be passed around for comments and a copy give to each Branch.

The meeting adjourned at 1700 hours.

CARLOS G. WEBSTER JR.
Lt. Col., FA
Chief Staff Officer

1192

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0907

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

O/C

PR/CLO/50
FEB. 121030

O/9152
FEB. 121513
PRIORITY

CEO PIEMONTE SIGNED JORDAN.

HQ ALCOM

CONFIDENTIAL

CONFIDENTIAL.

1. Reference your radio 1073.
2. A social and informational meeting of all prefects and questori was held on invitations of Chief Liaison officer. On the some day the prefects of Cuneo, Torino and president of Aosta met informally with Capt Ciliberti and Lt Barone for a discussion of the border situation. Both meetings were held on the responsibility of the Chief Liaison officer. Care was observed not to excercise any executive authority nor to give advice. See minutes of meetings forwarded.
3. Any further meetings will await you decision.

AC DIST

ACTION EXECUTIVE COMM 2
INFO CHIEF COMMISSIONER
CIVIL AFFAIRS SEC
FILE
SKELETON

1130

CONFIDENTIAL

0905

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

ALLIED CONCESSION OFFICER LIAISON OFFICER PRIORITY

1073 11 FEB 46

UNCLASSIFIED

FROM KUNMING MARSHALL GRANT CHARLIE LOVE OTTO SIERRA FIVE ZERO ZERO FIVE

FOLLOWS MESSAGE ENDED UP MIXING BETWEEN MESSAGES AND PHRASES

FOR LIAISON OFFICER MY ONE CALLED THEM MEANING ANY NON PRINT

PURPOSE TO IF YOUR LIAISON OFFICER HAS RECOMMENDED IN MY OTHER

THAT HE IS INTERFERING WITH MY POLITICAL MATTERS WHICH IS DEFINITELY

CONTRARY TO INSTRUCTIONS OF MINE HE SHOULD BE IMMEDIATELY RECALLED AT TO

HIS INTERNS

1179

Lt. Commissioner

343

Major,
CTO to Lt. Com

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

CIPHER TELEGRAM

8/89/1
JAN 081700A

G/7058
JAN 100830A

IMPORTANT

AMG 13 CORPS FROM BOWMAN

ACTION: HQ AFCOM FOR EXECUTIVE COMMISSIONER INFO: ACOS G-5 AFHQ

SECRET

SECRET.

Reference your letter 603 of 3 January asking clarification opening sentence minuten our staff conference 17 December. Allusion was to first sentenceparegraph 2 Seemed signal FX 55949 which rightly or wrongly has been interpreted as imposing additional responsibility on Corps Commander. Immediate inspiration was pointed questions on several items in November monthly report. Appreciate statement in your concluding peragraph that position of AMG 13 Corps remains unchanged as first definite interpretation of position yet received and will pass on to Corps Commander.

SECRET

AG DISTRIBUTION

ACTION: EXEC COMMISSIONER (2)

INFO: CHIEF COMMISSIONER
FILE
SKELETON

1178

CIPHER TELEGRAM
This message will not be distributed outside British or U.S. Government Departments or Headquarters or re-transmitted even in Cipher without being paraphrased. (Messages marked O.T.P. need not be paraphrased).

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

HEADQUARTERS ALLIED COMMISSION
Office of the Chief Commissioner
APO 394

Ref: 9008/120/EC.

14 March 1946.

Dear Mr. Prime Minister:

Reference your letter 43/01431/2 of 15 January 1946 and my 9008/99/EC of 13 February 1946 to Dr. Renato Prunas.

I have been instructed to give a general statement on the development of war booty problems leading to the position as it is at present. The War Booty Committee was established in September 1945 in accordance with the terms of Appendix F of the Morgan - Jovanovic Agreement. It has so far held ten meetings, and is now preparing its final report. 23 October 1945 was fixed as the final date for the submission of claims by the Jugoslavs, and Although the delegation protested that this date allowed insufficient time for the completion of lists, no claims submitted after that date have been admitted. Lire and lire accounts, warships and merchant ships were expressly excluded from discussion by the Committee, the latter since, asyou know, the question of shipping in general is to be decided on a governmental level. The setback to industry caused by the delay in the salvage and repairs of shipping is, however, gradually being overcome and Allied Military Government is already taking action to ensure the development of a programme for salvage and repair and the completion of ships already in construction.

Some of the stocks at the Ilva plant are subject to a war booty claim which was rejected by the Anglo-American members of the Committee. These stocks are as a result still blocked. For the time being orders have been issued that no items in relation to which any question of ownership by your State can possibly arise will be removed. While these lists were under discussion it was naturally necessary for the movement or consumption of certain industrial and other materials and facilities to be blocked. Blocking is, however, no longer necessary except in the case of the few items still under dispute and free movement of the remainder is being restored.

1191

Yours very truly,

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

cc: American Embassy, Rome.
British Embassy, Rome.
G-5, AFHQ.
Political Adviser (A), AC.
Political Adviser (B), AC.
Economic Section, AC.
SCAO, AMG, Venezia Giulia

Declassified E.O. 12356 Section 3.3/NND No. 735017

MAR 1 1 RECT

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

11 March 1946

Ref.: ES/1.19

MEMORANDUM

SUBJECT: US/Br attendance at Milan Conference.

TO : Chief Commissioner

The following is quoted from Lt. Col. Tooby's report to me on US/Br attendance at Milan Conference.

"To the best of my information neither Embassy was invited. Peter Trevis was yesterday expressing surprise at this and expressed his intention of attending himself but I have no idea whether he has in fact arranged to go and whether, if so, he will go as officially representing the American Embassy."

CHARLES T. WALTON
Colonel A.C.
Acting Vice President

538/ac

1130

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

COPY

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Chief Commissioner

Ref. 633/26/EC

5th March 1946

MEMORANDUM BY THE CHIEF COMMISSIONER, ALLIED COMMISSION ON AFHQ AGENDA FOR CONFERENCE No.4 AND MJIS PAPER P/326 (FINAL) of 26 FEBRUARY 46

JHE 15 IN 1002-2/CC 86 Also 102/CC/Conf III for Rundown of AFHQ + Residual Functions of ACC.

TOP SECRET

353/CC

1130

COPY.

SECRET.

MAR

SUBJECT: Reorg of CMF.

HQ 13 Corps.
5839/G.
4.Mar.46.

Chief of Staff,
A.F.H.Q.

1. I have studied the AFHQ papers on future organisation in regard to command, admin, and civil affairs in ITALY after 1 Jun 46 and as a result I have set out certain principales for the guidance of my reps at your conference on 6/7.Mar.46. In my view these principles must have priority over all other considerations; consequently all proposals should in my opinion, be tested against them, and be accepted or rejected accordingly. They are stated below:

First. All questions which directly or indirectly affect military security in areas in which Allied troops are located or through which their comms run, are of direct and urgent concern to the Allied Mil Command. They must therefore be channelled by the shortest route through the new AFHQ or whatever the superior Allied HQ in Italy is called after 1.Jun.46.

Second. The same applies to Public Safety in provinces remaining under AMG; moreover the fact that Public Safety is intimately connected with all other aspect of civil admin means that the admin of mil govt must also be dealt with through the new HQ in the most direct way.

Third. As the new HQ will be charged with the direct operational command of Divs it must be located where it can exercise such command effectively.

Fourth. The machinery of command and admin in regard to mil matters and civil affairs must be that which will result in the most expeditious conduct of business, and effect the greatest economy in manpower.

Fifth. This reorganisation should be made the opportunity for effecting all forseeable essential changes in machinery, so that the new system is subject to the minimum changes after its inception.

1138 2. Applying these principles my conclusions on the major issues are:

(a) That the new HQ cannot be further WEST than the TREVISO-MESTRE, PADUA area.

(b) That ALCOM should only deal direct with the COS in matters which have no direct or indirect bearing on the security or supply of Allied forces in ITALY, or the Adm of Mil Govt in the Provinces of UDINE and VENEZIA GIULIA; that the chain of command for Civil Affairs should be as shown in Appx "A" to this memo; and that the G-5 Sec at the new HQ and ALCOM

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785017

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

in my opinion, be tested against them, and be accepted or rejected accordingly. They are stated below:

First. All questions which directly or indirectly affect military security in areas in which Allied troops are located or through which their comms run, are of direct and urgent concern to the Allied Mil Command. They must therefore be channelled by the shortest route through the new AFHQ or whatever the superior Allied HQ in Italy is called after 1.Jun.46.

Second. The same applies to Public Safety in provinces remaining under AMG; moreover the fact that Public Safety is intimately connected with all other aspect of civil admin means that the admin of mil govt must also be dealt with through the new HQ in the most direct way.

Third. As the new HQ will be charged with the direct operational command of Divs it must be located where it can exercise such command effectively.

Fourth. The machinery of command and admin in regard to mil matters and civil affairs must be that which will result in the most expeditious conduct of business, and effect the greatest economy in manpower.

Fifth. This reorganisation should be made the opportunity for effecting all forseeable essential changes in machinery, so that the new system is subject to the minimum changes after its inception.

1182 2. Applying these principles my conclusions on the major issues are:

(a) That the new HQ cannot be further WEST than the TREVISO-MESTRE, PADUA area.

(b) That ALCOM should only deal direct with the COS in matters which have no direct or indirect bearing on the security or supply of Allied forces in ITALY, or the Adm of Mil Govt in the Provinces of UDINE and VENEZIA GIULIA; that the chain of command for Civil Affairs should be as shown in Appx "A" to this memo; and that the G-5 Sec at the new HQ and ALCOM should be comprised accordingly, special care being taken to ensure that in the interest of the prompt conduct of business and economy of manpower, there is no duplication of functions between the two.

(c) That 5 DISTRICT should be under command of the new HQ for all purposes, since it is impossible under the British system to divorce admin from operations and mil security.

3. Matters discussed with Gen MOORE who agrees from the US point of view.

4. As the new HQ will be an Allied one, it must be called AFHQ (NOT 13 CORPS) but request that the old title be resumed at a later date.

Harding -

Copy to: Gen Lee. (Sgd) Lt.Gen.

5-58/12

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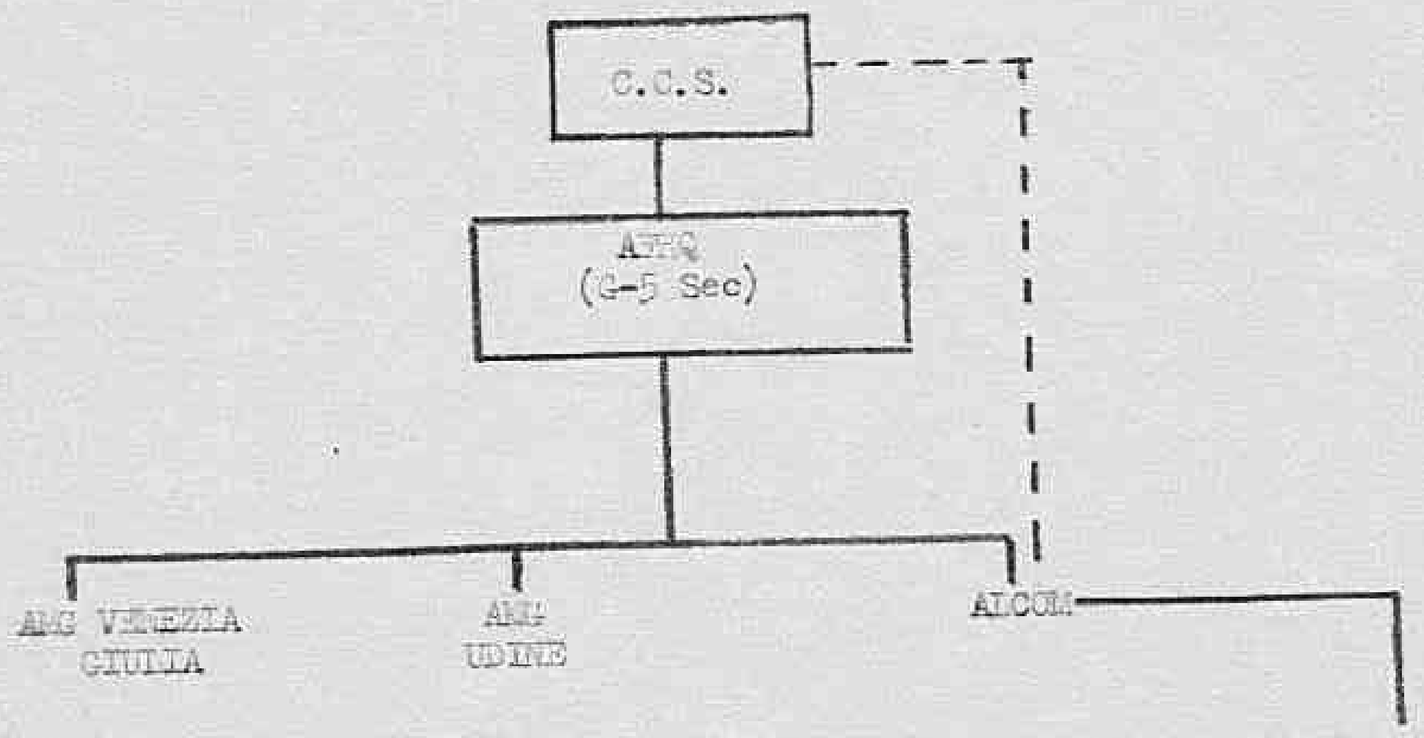
Appendix "A".

Proposed Chain of Command for Civil Affairs.



LEGEND.

_____ All matters affecting mil security and maintenance and the admin of military government

– – – – Technical matters with no implications in regard to the operations, security, supply or morale of the Allied Forces in Italy, or the admin of mily govt.

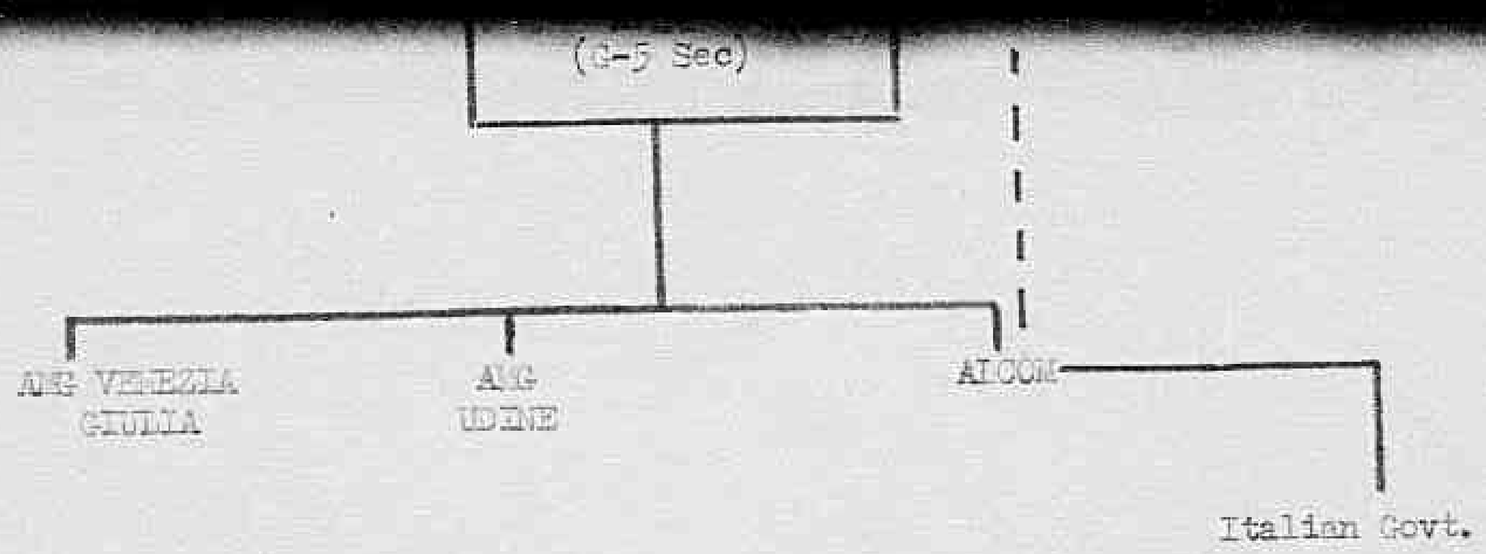
NOTES.

1. The chain of command puts control and responsibility in the same hands. It has the merit of simplicity, cuts out circular routes and also reduces the possibility of short-circuiting to a minimum.

2. All dealings between the Allied Command and the Italian Govt would be through ALCOM, who would speak with the authority of the Allied Commander. In fact for the purpose of working out the detailed composition of the G-5 Section, at AFHQ and ALCOM, the latter should be regarded as that part of the G-5 Section which for convenience of close contact with the Italian Govt is resident in ROME, otherwise there will inevitably be duplications of functions and waste of manpower. The only exceptions to such a conception as a basis to work on would be the head of ALCOM, who, for reasons of prestige in the eyes of the Italian Government, should continue to be a comparatively senior

1187

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



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NOTES.

1. The chain of command puts control and responsibility in the same hands. It has the merit of simplicity, cuts out circular routes and also reduces the possibility of short-circuiting to a minimum.

2. All dealings between the Allied Command and the Italian Govt would be through ALCOM, who would speak with the authority of the Allied Commander. In fact for the purpose of working out the detailed composition of the G-5 Section, at AFHQ and ALCOM, the latter should be regarded as that part of the G-5 Section which for convenience of close contact with the Italian Govt is resident in ALCOM, otherwise there will inevitably be duplications of functions and waste of manpower. The only exceptions to such a conception as a basis to work on would be the head of ALCOM, who, for reasons of prestige in the eyes of the Italian Government, should continue to be a comparatively senior officer.

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3. There should be leterial liaison and exchange of info between the two AMG organisations and ALCOM in the same way as there is between neighbouring formations in the normal system of military organisation.

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

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

G/9599

FEB 202030A

FEB 210900A

IMMEDIATE

ECITO (ORMOA) ITALY

ORMOA ECITO C/O BRITISH MILITARY MISSION TO BELGIUM HEAOR

INFO: EUROFRANS LONDON FOR ORMOA (REAR) TROOPERS AFHQ CITF FCDM AICOM ROME FOR TN S/C

UNCLASSIFIED.

SUBJECT IS UNRRA MEETING ON CZECH AND AUSTRIAN TRAFFIC 20TH FEBRUARY. FOLLOWING BDS FOR MARCH SUBMITTED BY UNRRA ACCEPTED BY ALL CONCERNED.

1. YUGOSLAVIA THROUGH TRIESTE 110000 TONS.

2. HUNGARY THROUGH TRIESTE 8000 TONS.

3. CZECHOSLOVAKIA THROUGH VENICE 39646 TONS.

4. AUSTRIA THROUGH TRIESTE 24100(?) TONS INCLUDING 200 X 3 TON TRUCKS FOR ASSEMBLY AT GRAZ.

HUNGARIAN TRAFFIC ACCEPTED THROUGH TRIESTE CONSEQUENT ON REFUSAL TO ACCEPT AT CONSTANZA FRENCH BY DANUBE. AUSTRIAN TRAFFIC TO BE DIVERTED VIA VENICE IF NECESSARY. FREIGHT CAR POSITION AUSTRIA SATISFIED ABLE TO MEET WAGON NEEDS. CZECHOSLOVAKIA BIG REQUIREMENTS INCREASE ON FEBRUARY TONNAGE MAKING WAGGON POSITION CRITICAL. CZECH MINISTER OF COMMUNICATIONS HAS ALLOCATED 500 FREIGHT CARS FOR UNRRA TRAFFIC THROUGH NORTH ITALIAN PORTS BUT ESTIMATE ANOTHER 1000 ARE NEEDED TO MEET INCREASED MARCH COMMITTMENTS. SUGGEST 1. AUSTRIAN AND CZECH WAGONS BE POOLED TO AVOID IDLE TIME AT PORTS. 2. EVERY POSSIBLE EFFORT BE MADE TO INCREASE AUSTRIAN CONTRIBUTION TO THIS POOL IN VIEW OF THEIR BETTER OVER ALL POSITION. 3. CZECH MINISTER BE ASKED TO INCREASE HIS ALLOCATION OF FREIGHT CARS. ON POINT 3 IT IS ANTICIPATED HIGH LEVEL ACTION WILL BE NECESSARY YOUR END AND WOULD STRESS URGENCY OF THE MATTER.

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AC DIST

ACTION: ECITO INFO: CHIEF COMMISSIONER ECON SEC (2) TN S/C (2) FILE (2)

FLOAT

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

FEB 21 1946

Ref: 4826/20.

20. February 1946.

SUBJECT: Economic and Supply Policy - AMG 13 Corps.

TO : G-5 Section, AFHQ.
DCAO, AMG 13 Corps.
A/VG, Economic Section.

1. I confirm decisions taken at the meeting held yesterday to discuss economic and supply policy in AMG 13 Corps.

(a) Economic and Supply Section, AMG 13 Corps has no responsibility towards AMG ZONE.

(b) Proper channels for procurement on behalf of AMG 13 Corps and ZONE are: Provincial PG - Allied Commission - AMG - G5.

(c) Channels of communication for surrendering Generals are: Provincial PG - Allied Commission - AMG - G5.

2. Items 4 and 5 on the Agenda paper were not discussed.

5.3.46

For the Chief Commissioner:

M S. LUSH

Lt Colonel,
Executive Commissioner.

MW/JG.

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

PROPOSED
AGENDA

Preliminary meeting: 2:15 on 19 February 1946 in office of Harlan Cleveland in preparation for meeting with Brig. Lush at 3 p.m.

Meeting with Brig. Lush: 3.00 p.m. on 19th February 1946 in Brig. Lush's office.

TO BE PRESENT: Lt. Col. Bickersteth
Lt. Col. Glenn
Lt. Col. Seely
Mr. Cleveland
Lt. Col. Timmons
Col. Walton

SUBJECT: Economic and Supply Policy A.M.G. 13 Corps

1. To establish the responsibility (if any) of Economic and Supply Section A.M.G. 13 Corps towards A.M.G. Udine,

   (a) Today
   (b) In the future.

2. To determine the proper channels for the procurement on behalf of Venezia-Giulia of Italian indigenous products required by A.M.G. Venezia-Giulia to prevent disease and unrest.

3. In view of the changes in A.C., UNRRA organization to consider the channels of communication and screening of future demands,

   (a) In the event of CCS accepting AFHQ advice to continue supplying Venezia-Giulia themselves

   (b) In the event of CCS insisting on UNRRA taking over.

4. To consider any special measures which will need to be taken to ensure continuance of supplies in the event of territory being awarded at the Peace Treaty,

   (a) To Italy

   (b) To Jugoslavia

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   (c) To the United Nations as an International Zone

5. To consider to what extent Foreign Trade in Venezia-Giulia can be integrated with Foreign Trade agreements made by Italy.

18 February 1946

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

COPY

P/325 (FINAL)

ALLIED FORCE HEADQUARTERS

Mediterranean Joint Planning Staff

COPY NO 32

12 Februrary 1946

TRANSFER OF MILITARY MAINTENANCE FROM TRIESTE TO VENICE

85

SEE 116 IN 1002-2/CC

TOP SECRET

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77/858

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Chief Commissioner

3610/Ec

FEB 18 1946

MINUTES OF MEETING ON RELAXATION OF TRAFFIC CONTROL
HELD IN ACTING CHIEF COMMISSIONER'S OFFICE
12 FEBRUARY, 1946.

Chairman: Brigadier M. S. LUSH, CB, CBE, MC.
(Acting Chief Commissioner).

Present :

Mr. R. Wesley Jones,	U.S. Embassy.
Mr. H. Schneider,	U.S. Embassy.
Mr. A. Malcolm,	British Embassy.
Mr. P. Benton,	British Embassy.
Mr. J. Lee,	British Embassy.
Col. C. R. Tuff,	AFHQ.
Col. E. J. Bye,	Public Safety S/C, AC.
Lt.Col. C.F.Fothergill,	Displaced Persons S/C, AC.
Lt.Col. J. E. Young,	AFHQ.
Major T. Simmonds,	AFHQ.
Major G. Hartman,	Displaced Persons S/C, AC.

1. The meeting was opened with a general discussion on the various aspects of travel control exercised by AFHQ and AC, and it was agreed that, due to rapidly diminishing personnel, resources, and the fact that the security interest had declined to a very great extent, the transfer of full responsibility to the Italian Authorities was desirable.

2. It was decided that military security requirements would be satisfied if particulars of persons authorised to enter the country by the Italian Government were supplied to AFHQ for a check against records held.

3. It was also pointed out that the right to reimpose military control of movement by the exercise of a power of refusal or overriding approval should be retained if military necessity required it.

4. Agreement was reached on the method of transferring the various phases of travel control from Allied military channels, as follows:-

a) <u>From countries in which the Italian Government has representation.</u>

1187 Approval was given to the action taken to empower the Italian Authorities to grant or refuse visas without reference to Allied Military Authorities. Particulars of visas would, however, be submitted to AC for transmission to AFHQ for check against records. In the event of undesirable elements being found, appropriate action would be requested of the Italian Authorities.

b) <u>Travel from countries without Foreign Office representation.</u>

It was agreed that action proposed in refusing to act further in the issue of permits on behalf of the Italian Government was desirable.

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Mr. H. Schneider, U.S. Embassy.
Mr. A. Malcolm, British Embassy.
Mr. P. Benton, British Embassy.
Mr. J. Lee, British Embassy.
Col. C. R. Tuff, AFHQ.
Col. E. J. Bye, Public Safety S/C, AC.
Lt.Col. C.F.Fothergill, Displaced Persons S/C, AC.
Lt.Col. J. E. Young, AFHQ.
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Major G. Hartman, Displaced Persons S/C, AC.

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b) Travel from countries without Foreign Office representation.

It was agreed that action proposed in refusing to act further in the issue of permits on behalf of the Italian Government was desirable. On receipt of Foreign Office and State Department approval of this project, a letter informing the Italian Government that the Allied Force Permit system was to be abolished would be despatched by AC. A draft for this letter would be prepared in advance, and circulated for concurrence. Other action proposed in AC Memorandum of 9 February 1946 para 1 (b) was also approved.

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c) VENEZIA GIULIA Traffic Control.

It was agreed that the present procedure would be modified whereby AFHQ and AC control would cease and that XIII Corps should operate the system on the following lines:
Questure to receive applications and request permits direct from XIII Corps.
Italian Liaison Officer to be appointed to UDINE to handle applications for entry into ITALY proper.

It was suggested that if the Italian Government had the power they would refuse entry to this part of ITALY for political and economic reasons and this would probably mean the installation of a large Yugoslav Transit Camp at UDINE.

It was decided that as UDINE Province was in AMG Territory the right to move individuals or groups between VENEZIA GIULIA and UDINE would have to be reserved.

It was emphasized that the VENEZIA GIULIA movement control problem could be helped most by ensuring that the control of the Western boundary was efficient.

The Italian Government could be asked to give a weekly or monthly report on the number of persons coming across the border individually or as displaced persons.

d) Travel between ITALY, AUSTRIA and GERMANY.

A further modification of proposals to control this travel was agreed. Procedure now proposed would be for Italian Liaison Officers in AUSTRIA to be appointed to approve entry into ITALY on behalf of the Italian Government and to act as channel for the transmission to the Allied permit agencies in AUSTRIA of applications to enter their territory. It was pointed out that the "right of scrutiny" in all these cases should be retained.

5. The question of exit from the country was also discussed and the contingency that war criminals would be able to leave without passing through Allied controls. It was pointed out that AFHQ had already withdrawn all exit permit machinery and that only visas and passports were now necessary.

It was decided that this control was primarily the responsibility of the Italian Government and they should be pressed to institute a stronger measure of control.

6. The problem of Italian policing of ports, coasts and waters was also ventilated with particular reference to the ADRIATIC and it was concluded that lack of adequate shipping and personnel was the crucial point rather than difficulties about the right to patrol these waters.

It was emphasized that the Italian Government would have to be pressed to bring their control machinery to a reasonable degree of efficiency owing to the impending reduction of our own security forces to a very low

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

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6. The problem of Italian policing of ports, coasts and waters was also ventilated with particular reference to the ADRIATIC and it was concluded that lack of adequate shipping and personnel was the crucial point rather than difficulties about the right to patrol these waters.

It was emphasized that the Italian Government would have to be pressed to bring their control machinery to a reasonable degree of efficiency owing to the impending reduction of our own security forces to a very low level. Arrangements would have to be made to ensure that particulars of all illegal entrants reached G-2 Section, AFHQ.

7. The question of the Italian request to be authorized to reimpose their deportation laws was also covered and it was stated that the AFHQ ruling that political refugees could not be repatriated against their will rendered this concession difficult except in the case of certain very limited categories.

It was felt, however, that it was very necessary to take steps to enable the Italian Authorities to take the preliminary steps towards this

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end and it was recommended that they should be encouraged to institute various preliminary police methods of documentation so that they would be in a position to submit requests to AC for the disposal of undesirable elements classified into different groups.

A draft letter on this subject would be composed by AC for concurrence by interested members of this meeting.

8. It was also stated that this question of displaced persons was a major problem which was in need of urgent solution. It was decided to embody the whole problem in a memorandum which could eventually be submitted to UNO, particularly as after a short time no military rations would be available for feeding such people in ITALY and it was patently unfair to saddle the Italian Government with such a responsibility.

9. Finally the subject of the continued entrance into ITALY of bodies of displaced persons was covered.

It was pointed out that, in principle, the only displaced persons who should be allowed to enter the country were (a) bonafide Italian nationals and (b) other nationalities in transit, provided they had been accepted for movement both in ITALY and in the country to which they were proceeding.

It would be essential for UNRRA to carry out proper identification and documentation of all displaced persons entering the country and provide them with nominal rolls and visaed D.P. cards on the lines of the system operated by Displaced Persons Sub-Commission, AC.

The Italian Government could be informed of this so that they could discuss it with UNRRA.

10. CONCLUSION.

It was decided that letters setting out the points raised at this meeting would be despatched from AC after approval had been obtained from the Embassies in ROME and from AFHQ.

Chief Staff Officer,
To the Executive Commissioner.

1131 DISTRIBUTION:

G-2, AFHQ. (6)
American Embassy.
British Embassy.
Polad (A), AC.
Polad (B), AC.
VE, C. Sec, AC. (3)
Disper S/C, AC.

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Chief Commr.
FEB

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

7 February 1946

Tel: 550

Ref: ES/15.12/0

Subject: Price of Coal

To : Chief Commissioner

I think you may be interested in the attached minutes of a meeting held to consider the price of coal, which developed into a general discussion of UNRRA and Italian Government economic policies.

Harlan Cleveland

HARLAN CLEVELAND
Acting Vice President

Incl: 1
(Minutes)

cc: Executive Commissioner
(W/Incl.)

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

U N R R A

ITALIAN MISSION

M I N U T E S

OF

MEETING ON ITALIAN PRICE POLICY
(With Particular Reference to the Price of Coal)

--

Held in the Office of the
CHIEF OF MISSION

2 February 1946

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PRESENT

For the Italian Government:

Dottore Ugo La Malfa
Minister of Foreign Trade

Signor Matteo Lombardo
Undersecretary of Industry and Commerce

Avvocato Enzo Storoni
Undersecretary of Foreign Trade

Cavaliere Saponaro
Representative of Italian Treasury

Professore Aldo Pogliotti
Interministerial Price Committee

For the UNRRA Italian Mission:

Mr. S. M. Keeny
Chief of Mission

Mr. Harlan Cleveland
Deputy Chief of Mission for Bureau of
Requirements and Distribution

Col. H. M. Walker
Chief of Division of Fuels

Mr. R. B. Scriven
Division of Fuels

Lt. Col. F. W. Tooby
Special Assistant,
Bureau of Requirements & Distribution

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

Feb. 3 - 5:00 p. m.

MR. KEENY: This meeting follows the meeting of yesterday on a quite different subject, that is seed potatoes. It was agreed yesterday that the decisions taken yesterday would apply only to that one commodity, which may have a number of special features to it. On the other hand, there may be some principles which have been raised there which can be carried over to this new commodity. I take it that we can begin with the agreement that whatever price levels are determined, we want to have a single price system for goods that are sold. We want to work to that objective, recognizing the special problems of domestically produced coal and the different grades of coal, and that any decisions that we reach will start from that assumption. That, of course, does not mean that we necessarily agree as to what that price should be. That is the problem we have met to discuss. I for one am emphatically not an expert in the coal business, although I did work with Mr. Cleveland in Washington for a time in connection with the Combined Chiefs of Staff and the Combined Coal Committee, but we do have here, on both sides, experts, and I should like to suggest that they feel freer to speak than the seed potato experts seemed to feel yesterday. Yesterday we amateurs solved all of the problems and the experts sat quiet. I do urge that those of you who are experts in the subject should not hesitate to bring up all the practical problems that are involved in order that we may get a decision which will result in our getting as much coal and the best type of coal distributed in the best possible system. We are all working together to that end and at our preliminary discussion which we held this morning, we discovered a number of points that we want to stress to the United States that we hope will help indirectly in getting the necessary power and the proper qualities of coal at this end. Our problem today is a difficult one, but it is all part of the whole great problem of how to get enough coal of the right kind for Italy at the right prices. This part of the discussion should fit in with the whole problem that we will have to face within the next month. As our special responsibility for supply, I personally feel, and I think all of the rest of UNRRA/AC staff feel, that we are getting too low a grade of coal. We want to get a better grade of coal. We want to get more coking coal. We want to pay less freight and we want coal to come with greater regularity. We are working on those problems from our side and will do all we can. Our problem today, however, is what to do with the coal we do get after it has arrived at the ports, as far as pricing it is concerned. I am going to ask Mr. Cleveland to conduct the meeting from here on as a problem of his Bureau and I'll try to keep quiet part of the time.

MR. CLEVELAND: Well, I think first we ought perhaps to review some of the general considerations that we touched on in considering the question of seed potatoes yesterday afternoon. We consider that there are three types of UNRRA supplies. Let's call them type "a", "b" and "c" for purposes of simplicity. Type "a", those items which represent only a small part of the total requirements of Italy; type "b", those which represent a major portion of Italy's requirements; and type "c", those which represent virtually the total amount of Italy's requirements. Now, I think we should start from the assumption, as Mr. Keeny mentioned, that

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we are both talking about the same thing; we are both talking about the total price system of Italy; that there is no disposition to want to have a double price structure - one price structure for UNRRA supplies and another price structure for Italy. Rather, the objective in this situation of potentially disastrous inflation in Italy is to use UNRRA supplies to the maximum possible extent to bring down the general price level in the country.

But in connection with the UNRRA supplies, I think we have to recognize that they are different in kind from a financial, and therefore from a price standpoint, from either the previous Allied imported supplies under the old Category A program or old Troop Pay program, and they are also different from other supplies which are brought in by the Government. The difference is this: that in the case of the old Military program, in thecase of the FEA program, in the case of the Troop Pay program, and in the case of the current purchases of 1946 by Sacerdoti, Signorelli, and other Italian purchasing agents abroad, all those purchases represent either a current or a contingent foreign exchange liability. The Italian Government either has to pay, or has to agree that at some future date it will have to pay, in dollars or sterling or some form of foreign currency. But UNRRA supplies arrive and are dumped over the side of the ship, and at that point they cost the Italian Government nothing, either currently or prospectively in the future. They are really gratis supplies for the first time. In considering the pricing of supplies under previous programs that have come in through the Allied Commission, both the Italian Government and AC have been affected in their thinking by the fact of this current or contingent liability. Therefore we have tended to start as a point of departure from the landed cost and add to it the handling and transportation charges. The Government started and AC started with the landed cost, the cost at the port in Italy. The cost was a true cost and the Italian Government did have to pay. But now, on the UNRRA supplies, considerations of landed cost are not as important as our objectives in terms of the internal price system.

The basic objective of price policy in Italy talking in general terms rather than only of coal, is to produce a stable and lower price level, which will be able to stand on the same ground with international prices sometime during the next few months or a year. I take that as a fundamental assumption, something that both the Italian Government and UNRRA wish to see achieved in Italy. In terms of this distinction between categories "a", "b", and "c", obviously a commodity in the first category - items that represent only a small part of the total supply - cannot have a very important effect on the price of the total amount of that commodity that is available in Italy. It was that kind of a case that we had yesterday in connection with the seed potatoes, where you averaged the UNRRA amounts into the total amounts coming from all sources and got a uniform price. In the case of coal, we have a product of which the UNRRA supplies next month will represent virtually the total imported supplies -- that is the loadings next month, the receipts the following month -- March arrivals. Now because of the small domestic production of coal in Italy, it results that about five-sixths of the total supply of the coal in Italy

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for March or April will be UNRRA-supplied coal.

For this type of commodity, my own feeling is that the technique for arriving at a price, or at a schedule of prices for various grades, should be this: first, we should try to establish at what point we want the price of coal to be six months, eight months, nine months from now when the situation of the Italian international economy is considerably more stabilized than it is at present; and secondly, that we should establish the price now, not necessarily at that eventual price but with a view to arriving at the end of six or eight or nine months, whatever we take, at that internationally acceptable internal price. Now the implication of that - just as a trial balloon, as we threw two or three trial balloons up yesterday in the seed potato meeting -- would be something like this; to say, for example, that the Italian Government, internally not publicly, the Italian Government expected at the end of six or seven months the rate of exchange with other currencies will be, say 225. We therefore think that as of that time, coal should be selling in Italy for say, 4500 lire, plus the handling and distribution charges, instead of the present 21 or 26 plus, and that the price be fixed now. I don't think from a decision of that character it necessarily follows that you immediately jump the price of coal from 21 plus distribution charges to 45 plus distribution charges, but rather that you approach your eventual price gradually over a period so not, by a jump in such a basic commodity as coal, immediately to give rise to maladjustments in the whole industrial price system, which can only result in setting of inflationary prices in many other lines. The reason for this thought is the following: if you jump immediately to say 45, you then force the first processor who uses coal to jump the price of his product, and the second, because the first has jumped, has to jump his price, and so forth down to the ultimate consumer, the result of which is again a demand for increased wages, which are granted because they are justified in terms of an upward spiralling of the price structure on the industrial side, which in turn comes back into the distribution scheme to raise the cost of distribution, and which will eventually result in having to raise the 45 to 65, 80, and up; whereas if you start gradually, you may actually achieve the result of coming out eight or nine months hence with the price you now decide to be the desired eventual price, instead of six or nine months hence coming out with a situation in which the internal price level is still far above the level of international prices. That's simply as an example of this suggested technique for going about the pricing of supplies in the second and third categories - our "b" and "c" categories; I think we should now, against this background, hear in specific terms the proposal that has been discussed in the Government -- what it is proposed to do about the price of coal and when.

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MIN. LA MALFA: The price of coal should diminish in some months; also the price we make today, owing to the scarcity on the market. We cannot be in accord with the idea that the exchange rate of 225 should be arrived at gradually, but vice versa; but rather having a high price today, the cost of production, etc., everything should go down. Today we should have the highest price, owing to scarcity on the market. The projected increase in the price of coal is due today, from the first of February of this year, and Minister La Malfa explains that they have started rather from a different angle from which you started, inasmuch as they think that they would bring the price up to the realistic level of the cost of everything in Italy today in order to have it diminish gradually as time goes by. In other words, coal is due to cost less as the cost of other goods diminishes, and as a greater amount of coal is offered. Coal costs a good deal right now because there is very little of it, so that they would start from the opposite angle from which you have started and they would rather fix an adequate price now in order to avoid that the present price advantage should go to private firms and individuals, and rather diminish the price of coal as time goes by.

A consideration has been also taken concerning the destination of the coal according to the consumers. In other words, the coal which is going to be directly used by the consumers, such as coal allocated for production of heating, or for gas or for transportation, like railroads, remains at the original price, the same price, while the coal which is going to be used by industry is that which is going to be increased, because Minister La Malfa thinks in any case industrialists in their price fixings consider coal at the realistic level of prices in the country and they would be the only ones to benefit by that. The price of coal to be delivered to the first class of consumers, which means heating, gas, and transportation, remains at 2600 lire a ton, while the coal which is going to be delivered to industry has been brought up to 4500 lire.

MR. KEENY: I want to ask why February first was set for this change and are there any more limitations? I have never seen any document on this whatever, presenting the Government's point of view and classifications. I wonder if there is such a document.

MIN. LA MALFA: There is a document inasmuch as it is a resolution of the Price Fixing Committee. They intend to communicate to UNRRA but they have taken the resolution and they are going to communicate it now. It is a two-fold resolution to give coal at 2600 to the first class of consumers, and 4500 to the second class.

MR. CLEVELAND: Are those prices in effect at this moment?

MIN. LA MALFA: No. They are waiting for agreement with you, but the resolution has been taken and as soon as agreement is reached, it will be taken.

MR. KEENY: As far as UNRRA coal is concerned, the agreement for that, as for any other commodity, provides that we must review and agree on the prices and we have as yet nothing to consider until a document is presented to us;

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we haven't anything to work on. Is there anything more to the document than has been stated? Has the Minister told the whole story orally or are there other details to it? I don't want to comment until I know the whole story.

MIN. LA MALFA: This is a communication that he makes verbally today, but which can be made also in writing if you wish.

MR. CLEVELAND: This is rather a general point, I think, but the overall agreement between the Italian Government and UNRRA contemplates that on matters of policy affecting distribution of UNRRA goods, among which matters price is specifically mentioned in the agreement, those matters will be discussed and agreed between UNRRA and the Government ahead of time before decisions are implemented by the Italian Government. No procedure for arriving at such agreements has yet been adopted or communicated to us by the Italian Government, but whatever procedure it is, I would certainly hope it would not involve oral communiques on subjects as basic as the price of coal.

MIN. LA MALFA: Minister La Malfa says that the Italian Government have not taken a decision. They had to agree among themselves which price they would support in proposing it to the Allies, so they do not think that they have trespassed on any point of procedure, but rather prepared themselves to discuss the point. The intention of the Government concerning prices can be expressed in two different points. The first point is to assure a single price structure for every commodity, whatever its origin, and the second is this, that the chief consideration effecting price fixing policy is that the Italian Government is responsible toward UNRRA for filling up that fund which must be used for rehabilitation and reconstruction purposes; in addition, they must consider the eventual benefits that may accrue to the Treasury from fixing adequate prices in some commodities - that is, the Treasury may derive some benefit and pass it over to that fund. This has been mentioned by the Prime Minister in the letter to Mr. Keeny at the time of the signing of the agreement.

MR. KEENY: We do not wish to suggest that there has been any violation in the procedure they are using, but to request on major commodities when price changes are considered, that we have such communication in writing with the justification, with the reasons set forth so that we can study them and take them into account, and, so far as possible, see the reasons why the Government makes the recommendation. They may count on us then to agree wherever it is possible to do so, but we need to examine the proposal, first in relationship to the resolutions that we are bound to uphold for UNRRA in general, and secondly, to raise any practical questions of operation that may involve the problem in this particular country.

1172 My second point is this: we understand from the Prime Minister's letter that the receipts from such sales will go to the fund, which will be used for rehabilitation and reconstruction in the country, and that removed a doubt around which there was some legal question, namely, whether the receipts from UNRRA supplies might be used to subsidize exports -- but the Prime Minister's letter has reassured us on

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that point. We are therefore quite aware in raising the question which Mr. Cleveland has raised, we are arguing against ourselves in that we will reduce the amount of price sales if we keep the price low, but the issue we have to examine together is whether it is better to have a large lire receipt for other purposes of rehabilitation or reconstruction, or to keep the prices low and thus give whatever benefits we can directly in that way. That is the issue that we have to examine, and at the moment the point we are pressing is the danger of moving the prices upward at a time when labor, for example, is pressing for higher wages, because then we give the best argument to the people who are asking for more wages and the costs of living are higher. We are hoping that the policy that we work out will be such as to bring an influence for lowering prices as early as possible, and therefore we are asking for a thorough examination of the situation before we accept the proposal or a drastic upward swing in relation to prices.

MIN. LA MALFA: He agrees entirely with you when you say the real problem is whether we should have a substantial fund for relief and rehabilitation, gotten through higher prices, or a lower fund for relief, gotten through lesser prices, but the reason why the Government would prefer to keep the prices at the ruling market level are in the main these two: first, that if prices are fixed on the regular market, or realistic market level, it will not be necessary for the government to establish a complicated control system, because it will not be necessary with commodities being sold at the true prices they will fetch, no matter what their source. And that would also avoid fixing different prices for the same commodity, according to the source from which such commodities are coming. For instance, it will be possible for the Italian Government to sell at the same relative prices coal coming from Sardinia or from Poland or from UNRRA. The second reason is this, that if, say in six months' time, or whatever time it is, the assistance of UNRRA stops, the Government will have to adopt the regular market prices for coal without being able to get that convenient coal from UNRRA. In other words, the Government would have to adopt a policy different from the general trend of the international market. In six months' time on the international market, prices will be lower from what they are now, while the contrary would happen in Italy if Italy would adopt a low price now and would be compelled to adopt a higher price when UNRRA assistance ceased. He would consider it a risky policy to follow a different trend than the trend of the international market. In other words, the international market tends to lower the price, while the Italian Government would have to raise its price.

MR. KEENY: On the first point we stated before he came in -- our agreement with the necessity of a single price policy -- and we stated that UNRRA would be agreed to apply in the case of coal, as we did yesterday in the case of seed potatoes, the principle of putting together all the coal from various sources at the true prices and thus deriving an average price so there would be only one price system. I think we may start from the assumption that at least we will agree on that. The basic question here, when you are talking about world prices, is that the world price of c[illegible] for the quality we are gettin[illegible] is about $6.00 or $7.00 a ton at shipside, or in that general neighborhood, and the

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price of coal delivered to a manufacturer in Milan, we'll say, at 100 to the dollar, is about $60.00 or $70.00 a ton - about ten times as high. When you are talking about returning to the world price of coal by raising it, frankly it seems to me we are going exactly in the opposite direction. The price of coal in Italy now at 100 to the dollar is about eight or ten times, and if you assume at 225 to the dollar, it is still four times the "consuglio" price.

MIN. LA MALFA: He says that the cost of the freight is really one of the big problems because if UNRRA did not bring in coal, the cost they would pay for coal on ship side would be $20.

MR. KEENY: Of course the hope is that we won't need to bring coal from America long. You'll take $10.00 out of the price when you can bring it from England or the continent. But you can reduce it by only $10.00 and you still have an Italian internal price which is much higher than the world price. The central difficulty I see is that under this proposed consumers in Italy, which is a poor country with low earning power, would have to pay even more for the goods which are manufactured with coal, which is four or five times at least the world price. That can have only one effect on the price of living - to raise it even more in a critical time.

UNDERSEC. STORONI: What the Government had in mind when they came to think of the price for coal imported from abroad was really that they had to settle the price for coal produced in Italy. In other words, in order to put on a safe basis the companies producing coal in Sardinia or elsewhere, they had to fix the price of coal for the Bibolla coal at 3700, and the price of coal from Sardinia at 3400. It being the fact that they have fixed the price for that type of coal at so much, how, Avvocato Storoni asks, must they consider the price of coal imported from abroad?

MR. KEENY: I understand that the prices is 34 and 3700 respectively at the mine? If, for example, you have 400,000 tons of coal at 2500 lire, and 100,000 tons at 3500, your average price covering all costs is still only 27, because the percentage of UNRRA coal is so high in proportion to the other. I don't see why, if less than 100,000 tons of coal cost 34 or 37, why the total for 500,000 tons needs to be 45. The total in my mathematics leads only to 27.

MIN. L. MALFA: The criterion which they would adopt is the following: that if the Treasury, by selling that coal at a higher price, gets a benefit, the fact that the Treasury takes in that benefit enables the Treasury to control all the market prices and to lower all prices because of a stronger position in regards to all the prices.

MR. KEENY: That is true only if the cost of goods sold, manufactured by the use of this coal, does not rise, but the minute that the resulting prices of the commodities which are made with the coal rise as a result of the rise in price of coal, that advantage is lost.

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MR. CLEVELAND: Just to add to that: the question seems to be between applying a deflationary technique to the price directly or applying it indirectly by trying to take currency out of circulation. The second technique has only a single effect. You take so much money out of circulation, period. Whereas in taking that currency out of circulation, you are raising the price of coal, which has a thousand and one effects along the line, the total effect of which is far more inflationary than the relatively small amount, 800 million - less than a billion lire - you can take out of circulation monthly through this device.

COL. TOOBY: I see a reflection of that thought in the Italian Government's decision to maintain the price to public utilities at 2600. It is a tacit recognition of this thought.

MIN. LA MALFA: The answer is this, that for public utility services it is possible to exercise a control which ensures that that coal is actually used for public services, while in the case of coal handed over to industry, it is never possible to control quite properly whether the low price at which that coal is given to the industry will be reflected in a lower cost of the products, and very likely the benefits will go only to the individual who gets the low prices. He insists on the advantages of the general deflation policy inasmuch as if the Treasury makes for a definite deflationary policy, it is felt in every section of the country automatically, while if low prices are only on certain articles, that is the end of the advantage. The advantage is felt only on those articles gotten through a low priced coal -- even recognizing that coal affects a lot of different kinds of products.

MR. KENNY: Ask him what happens when they start to spend the money so segregated?

MIN. LA MALFA: He points out that the Allied recommended a non-discriminatory policy on foreign trade, that is, recommended that the Italian Government not make differences in imports and exports in these countries. He would now apply the same policy internally by using a deflationary policy that benefits the whole country (through the Treasury), rather than benefiting simply those people who buy the particular commodity under consideration.

MR. KENNY: Does the argument hold true when we start to spend those lire? Ask him whether the deflationary effect doesn't end when we spend the money?

MIN. LA MALFA: His argument is briefly like this, that the Italian Government must in any case provide for certain plans of reconstruction and rehabilitation, which are indispensable because the Italian Government must provide for rebuilding of railroads, houses and other similar activities, coal houses, etc., and they must allocate a certain amount of money for that purpose. When they do that, of course they must get the funds from somewhere, and either they must get them from taxes, or from printing of currency (which is an inflationary policy) or they may get part of them from the fund which is allocated for rehabilitati , through the sales of

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UNRRA products. If they can get more through the Treasury from that fund, that makes for a deflationary policy and that is felt generally everywhere in the country.

MR. KEENY: What assurance do they have that if they raised the price of coal the manufacturer will not pass on the price to the consumer immediately in a country which is hungry for goods?

LA MALFA: The increase will be felt, of course, by the consumer, by the purchasers of those products; but on the other hand, the advantage felt by the Treasury will be also reflected on the whole country and that would be to the advantage of all of the community. He said if the Treasury is in a better position, the Treasury has a lesser pressure or weight on the consumer, and so the general condition of the country is made easier.

MR. CLEVELAND: I think we have two different kinds of problems. There seem to have been presented two alternative methods of deflating Italian currency, (1) to keep prices down, (2) to take currency out of circulation to the extent possible. With respect to that question, it seems to me that there is something of a gap between the function of UNRRA lire account as viewed by the Government and as we have been generally looking at it. We have generally looked at the lire account neither as primarily a stabilization fund, that is a fund that you don't pay out at all, nor as a substitute for the normal taxation that the Government should be levying on its citizens and should even be increasing in such an inflationary time as this. Now, I think if we raise the price of coal, we have an immediate and measurable effect on the increase of inflation in the whole economy. What Minister La Malfa has said in effect is that this effect is offset by the amount of money taken out of circulation. We should bear in mind, I think, two things; one is that the amount of money that will be taken out of circulation by this rise in the price of coal, or even by a comparable rise in the total range of UNRRA goods, will still not be very large in terms of the tremendous hoards or currency that are in fact in the country generally and not being used on the market, but being hoarded. It won't actually take enough out of circulation to have a big effect. The second point is that even if taking that currency off the market did have an important effect, we can't consider that it is really being taken off the market because a good part of it will start being spent again for relief and rehabilitation projects, as the agreement provides. So even if it were a stabilization fund, It wouldn't be an important one; but it isn't a stabilization fund.

At this point I'd like to get back to a suggestion by which we can perhaps work this thing out so we won't be here all night. It seems to me that our best technique for developing a price for coal now is first to decide at what point we think the price of coal in Italy should be or will be, say eight months hence, because eight months hence the UNRRA supplies will be virtually at an end. Now Minister La Malfa himself said in his earliest remarks that there will be a number of factors operating during those eight months to bring the price of coal down; freight costs will go down; supply costs will go down; you will start to get coal from Poland and Germany, England or other sources. It seems to me that will bring down the price

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certainly lower than $20.00; maybe considerably lower; maybe so much lower that even at "conguaglio" rate coal won't cost much more than it does now. But in any case, we should try to make a guess at that price eight months hence and then set our price now as a step in arriving at that price eight months hence. If we decide eight months hence coal should be selling at 3000 lire, as an example, it would be suicidally inflationary to set it now at 4500, because in an economy such as this, with great quantities of currency hoarded, the problem of getting the price down is tremendous, while the problem of sitting on it while it goes up is a much easier thing to do. But once it is up, it is probably lost.

MR. LA MALFA: The general problem, to put the matter in an even more general way, not to speak of coal but about everything, supposing the index for prices is now, or at the moment when the war is finished, at 100 and that we foresee that in six months' time it will go down to 60. If we adopt at present prices corresponding to the level of 100, we will go down gradually to 60 by bringing gradually into the Treasury the financial advantage which will be realized gradually as the prices go down. But if we want to establish right away the index of 60 instead of waiting for it to go down naturally, it simply means that the Treasury is going to lose the financial advantage in the sloping down of prices and that advantage will be gotten by private firms.

COL. WALKER: The price of coal at the end of eight months should be about $15.00 laid down in Italy.

MR. CLEVELAND: About 3375 at the "conguaglio" rate, assuming that the "conguaglio" rate will be the rate of exchange.

MR. SCRIVENS: From the Rhine, UK or U. S.

MIN. LA MALFA: It is all a question of the impossibility of controlling second sales. If you give coal at a lower price to an industrialist, there is no way of making sure that he will simply not adopt for his product the ordinary market price, and the last consumer would not pay the price in spite of the industrialist's having coal at lower price. For instance, he said if we were to sell tires at UNRRA prices, which are much lower than the ordinary price on the market, the first purchaser would undoubtedly get the benefit, but after a few days nothing would prevent him from re-selling at the regular market price.

MR. CLEVELAND: I don't think he has the distinction between those items where UNRRA supplies virtually the total amounts-enough to glut the market and those cases like seed potatoes and tires. That is quite a different case. Obviously a few tires can't control the market, but 400,000 tons of coal can.

MR. FUGLIETTI: Fifty-one per cent of the total coal will, after all, be sold at 2600 lire, because it is sold for public services, and that is out of the question, but for the rest, forty-nine per cent of the coal will

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have to face the natural competition of all types of fuels which are produced in Italy and the fact of giving good imported coal at a low price to a limited number of industrialists would raise a sort of competition or race between the individual to get assignment of imported coal at low price instead of other types of coal at a higher price.

MR. CLEVELAND: It might also bring down the price of other fuels. If the coal imported from abroad were in sufficient quantity, automatically prices of all other coals would go down, but since it is not in sufficient quantity --

MR. KEENY: This we had out at the beginning because we would recommend an averaging of prices on imported coal. We'd agree on a total schedule.

MR. FUGLIETTI: He was referring to lignite also.

MR. KEENY: We had agreed to all of that. Lignite and Sardinian coal is a small part of the whole, and to set the price of a major amount by the small amount is to defeat your purpose. We would agree that there should be a single set of prices in which cheaper grades would bring cheaper prices on the market. That we stated. That should be dismissed as a problem and any price we agreed upon, if we agreed that the price should be 3500 for imported coal, the other might be 3000, whatever the figure might be. There would be no justification for selling poorer coal at a higher price. What is the total local production?

COL. WALKER: 100,000 tons in terms of hard coal.

MR. FUGLIETTI: When they refer to locally produced fuel they do not mean only coal, but they mean also lignite and wood, which is largely used, and even nut shells, all sorts of everything that can be burned is on the market now as fuel. That would be so high in cost as to make the cost of coal very little.

MR. KEENY: May I ask whether the advice of the American and British Embassy economic advisors has been sought and what has been their reply?

GENERAL: No.

MR. KEENY: The reason I ask, since our funds are limited in time, and since loans are being asked from those countries, or will be asked, I presume that they have a very particular interest in this problem, in addition to being members of UNRRA, as a possible source of loans. It would be our desire to have a price policy which would encourage them to make loans. On my first question, before we reach a firm decision, I should feel very much firmer in making an UNRRA recommendation if I know it was supported informally by our economic advisors. We have been asked to seek such advice on major questions of policy and should like the opportunity to do so.

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One further question. Our policy, I take it, would depend upon the probability that the official rate of the lire will be changed and if so, when. That is the question which we may not wish to discuss here, but I think we ought to have the fullest information privately as to the intention of the Government on that point before we make our decisions on major commodities, because if the rate of the lire were changed to the "conguaglio" rate some of our discussion would be academic, though even then it would be a question of policy whether it would be wise if the "conguaglio" rate were changed tomorrow whether you should move immediately to the "conguaglio" rate. The effect on prices and markets would need to be examined with the greatest care unless the representatives of the Government are prepared to say that they are not making a determined effort to hold down prices. That is the crux of the matter, whether along with the other purposes, such as getting money into the Treasury, we are also asking a determined effort to hold down prices as long as possible against the strong trend in the other direction. I say that with the greatest possible concern because in my own experience of relief work, which dates back to the end of the last war, I have been a participator, or at least a spectator, of three major currency disasters - Germany, Poland, and Soviet Russia - and the arguments which have been produced here tonight bring up many memories to me.

MIN. LA MALFA: He says that really prices on the market are higher in proportion to the "conguaglio" rate and the "conguaglio" rate has been selected not as a higher level, but really as a level lower than the prices on the market, and it acts as a brake on the prices. In fact, he said in spite of the adoption of the "conguaglio" rate, prices have not raised. Rather, most of the prices are lower than they were after the adoption of the rate.

MR. CLEVELAND: It hasn't had any effect yet. It hasn't applied to any transactions yet.

MIN. LA MALFA: He says that prices have not increased, but have diminished because at the rate of the "conguaglio", the price of textiles will be even cheaper than the actual market price and so, in other words, present prices cannot be affected by the "conguaglio" because if a man through the "conguaglio" is able to import goods, for instance textiles, those textiles he will be able to place on the market at a lower price than the actual market prices. The prices here are affected by the fact that Italy is absolutely isolated from all markets and which is suffering very severely from war damages, so those prices are exceptionally high. At a certain point, when they come down because of the importation of goods from abroad, they will meet with the level established by the "conguaglio" rate. It will be just a meeting point between the sloping down of the prices and the level fixed.

MR. KEENY: My fear about that line of thinking is that since Italy is completely dependant on foreign markets and can get coal only with foreign credit, until that credit is established, that is wishful thinking.

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LA MALFA: He repeats his point that we must deal with reality, which are really exceptional prices. They are just what they are and if we start fixing our prices at a low level, we will simply transfer the advantage for that concession to individuals rather than to the State.

MR. KEENY: Let me state, so there will be no confusion, that UNRRA is entirely in sympathy with the desire not to let UNRRA commodities benefit only a few private individuals. As a basic policy we are together there. The contradiction I find in the discussion is the assumption that the business man is a bad man under one set of circumstances and a good man under another set of circumstances. I think you must assume, to follow the line of realism, that he will seek the maximum profit under any circumstances, including the higher-price circumstances, and that the problem is not met by any other method than putting ceiling prices on. The other is essentially playing with the problem. That's a matter which the Government must face.

MIN. LA MALFA: He says there is already an automatic ceiling which industry enforces. Coal is absorbed by industry up to a maximum price and not beyond it. The business man will pay so much and no more. If you give coal at a lower price, he will take it but in his price figures he will use the figures of the market price for his product.

MR. KEENY: I regret that I shall have to leave now, but I have been setting down several proposals with Mr. Cleveland. We have a suggestion that might continue and complete this discussion as quickly as possible.

MR. CLEVELAND: Well, there are first two or three things on which there have been agreement. First, that there should be one price level. Second, that there should not be a rise in the price of coal to Government agencies and public utilities, but the rise we aretalking about applies only to sales to industries. Third, that in order to come up with a policy decision as between the Italian Government and UNRRA, which takes into account the wishes and opinions of the countries on whom the Italian Government must depend for filling up the rest of the import program, it would be useful to consult the Embassies and have with them a part of the discussions leading to a decision on this question. In addition, we would like to propose three things. (1) that we assume that as of, say October 1, 1946, we expect and want a price of coal not more than the "conguaglio" equivalent of $15.00, that is 3375 lire.

MIN. LA MALFA: He wants to say that not only on the first of October but even now and with variations to follow every few months prices should be set which are equivalent to the "conguaglio" rate.

MR. CLEVELAND: Our second proposal is that a sub-committee be appointed between the Government and UNRRA to work out a recommended price. The third proposal, which related to Minister La Malfa's remarks, is that the terms of reference of this committee be to recommend a price at present for coal, that does not exceed the price which we expect will be the price

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on October 1, 1946.

AVV. STORONI: He would like to know if that price is established, which means that say coal from Sardinia or Ribalia will have to be paid less than the good coal coming from abroad, who is going to pay for that? Is it going to be the UNRRA fund or the Italian Government fund?

MR. CLEVELAND: It's the Italian Government in either case.

MR. KEENY: I think that is a good question. I would like the sub-committee to work on that one. Off hand, I should say if we raise the total average price enough to cover that, then the subsidy to the domestic producers should be taken from the UNRRA fund. I don't see that we can avoid that. That's my off-hand thought.

MR. CLEVELAND: It would mean adopting stabilization activities of this kind as one of the functions of the UNRRA fund.

MR. KEENY: Subject to legal opinion, I should think it would be fair to deduct it from the UNRRA fund.

COL. TOOBY: I think an immediate reservation ought to be made. Provided of course, the cost of production doesn't immediately go up in response to such a decision.

MR. KEENY: If this proposal is satisfactory, who meets when and where. On Monday? . . . . . Monday at five.

MR. KEENY: As many as are needed for the discussion and in the meantime, perhaps we can assemble additional facts to lay before this group. There are a number of matters here as to costs, etc., that should be brought forward, should be supported with additional facts, if we can, from both sides and bring together any additional technical data that will enable us to work as a technical committee. May I, as home work, suggest that all members of the Government and our own group re-read Resolution No. 7, which presents the problems that we have to face in reporting to our own bosses.

MEETING ADJOURNED AT 7:45

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cc: Chief Commissioner
Exec. Commissione
Amer. Embassy
British Embassy
G-5 AFHQ

Ref. E3/3.20

8 February 1946

My dear Mr. Prime Minister:-

Further to letter of 11th January 1946 addressed by Mr. Harlan Cleveland, the Acting Vice President, Economic Section, to the Ministry of Foreign Affairs, Rome, I am pleased to inform you that cabled advice has now been received to the effect that the European Coal Organisation, with the full agreement of the United States and United Kingdom Governments, is prepared to regard Italy as an associated Country in relation to the ECO.

Your Government therefore is invited to send a representative to the Allocation Meetings for the purpose of presenting Italian requirements in conjunction with UNRRA representatives.

Enclosed herewith are copies of the formal agreement already existing between the Member Countries; your particular attention is drawn to the fact that, along with all Member and all other Associate Countries, you will be required to keep ECO furnished with all relevant information on the Italian Coal situation.

To conform with the undertaking requested in paragraph 3 above, I shall be pleased to receive your agreement with this and I suggest that you may prefer that this should officially be signed at the ECO Headquarters, 19 Chester Square, London S.W.I., by a representative of the Italian Embassy when at the same time you could present the nomination of your future representative.

I further enclose draft copy of the ECO Statistics Working Party Form 10 setting out the data to be regularly submitted. In this connection, your dealings with the European Coal Organization will, of course, be in cooperation with UNRRA, and I am informed that the Division of Fuels in the UNRRA Italian Mission will be glad to render you advice and assistance on any matter which is not perfectly clear.

I am aware of the extent of the financial contribution which Italy will be expected to bear for the maintenance of the organisation, but I am sure you will receive fair and equal treatment from the existing 10 Member Countries at the next Council Meeting.

Yours very truly,

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/s/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Doctor Alcide De Gasperi
President of the Council of Ministers
Italian Government, Rome

AGREEMENT FOR THE FORMAL ESTABLISHMENT OF THE EUROPEAN COAL ORGANISATION

The Governments of . . . . . being convinced that particularly during the present period of general shortage of coal and of certain types of coal-mining supplies and equipment, effective co-ordination of the demand for and supply of these commodities in Europe will continue to be necessary, have agreed as follows:-

Article 1. Establishment of a European Coal Organisation.

The European Coal Organisation, hereinafter referred to as the "Organisation", is hereby formally established.

Article 2. Membership of the Organisation.

The members of the Organisation shall be the Governments on whose behalf this Agreement is signed and those other Governments which adhere to the agreement at the invitation of the Council provided for in Article 3.

Article 3. Structure of the Organisation.

1. The Organisation shall consist of a Council and a Permanent Staff.

2. The Council shall be composed of representatives of the member Governments. Each Government shall appoint one representative and may appoint an alternate representative and technical advisers.

3. The Council shall draw up its own rules of procedure and may establish such committees or other subordinate bodies as may be desirable.

4. The Permanent Staff shall consist of a Chairman, who shall preside in the Council, a Secretary General appointed by the Council and other necessary staff appointed by the Chairman with the approval of the Council and in terms laid down by it. All members of the Permanent Staff must be nationals of member Governments.

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Article 4. Purpose of the Organisation.

1. The purpose of the Organisation is to promote the supply and equitable distribution of coal and scarce items of coal-mining supplies and equipment while safeguarding, as far as possible, the interests of both producers and consumers. With this object the Council shall keep itself constantly acquainted with and, when necessary, discuss the situation in

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regard to such supply and distribution, disseminate information in regard thereto, and make appropriate recommendations to the Governments concerned and to any other competent authorities.

2. To these ends the member Governments shall:

(1) Provide the Organisation, at its request, with all relevant information, in particular information regarding production, imports, exports, consumption, stocks and requirements of coal and of coal-mining supplies and equipment.

(2) Give their full co-operation to the Organisation in the accomplishment of its task.

Article 5. Headquarters.

The Headquarters of the Organisation shall be in London or such other city as the Council may from time to time decide.

Article 6. Relations with other Organisations, Authorities and Agencies.

1. The Organisation may establish relations with national and international organisations, authorities and agencies.

2. After the establishment of the Economic and Social Council of the United Nations the Organisation shall communicate with that Council with a view to determining what relationship should be created between it and the Council and, in particular, whether its functions can and should be taken over by the Council.

Article 7. Expenses.

The expenses of the Organisation shall be apportioned between and borne by the member Governments in the manner determined by the Council (in such manner as they may agree).

1135

Article 8. Privileges and immunities.

The Organisation shall enjoy in the territories of the member

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consumption, stocks and requirements of coal and of coal-mining supplies and equipment.

(2) Give their full co-operation to the Organisation in the accomplishment of its task.

Article 5. Headquarters.

The Headquarters of the Organisation shall be in London or such other city as the Council may from time to time decide.

Article 6. Relations with other Organisations, Authorities and Agencies.

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2. After the establishment of the Economic and Social Council of the United Nations the Organisation shall communicate with that Council with a view to determining what relationship should be created between it and the Council and, in particular, whether its functions can and should be taken over by the Council.

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The expenses of the Organisation shall be apportioned between and borne by the member Governments in the manner determined by the Council (in such manner as they may agree).

1195

Article 8. Privileges and immunities.

1. The Organisation shall enjoy in the territories of the member Governments such privileges and immunities as are necessary for the fulfilment of its purpose.

2. Representatives of the member Governments and officials of the Organisation shall likewise enjoy in those territories such privileges and immunities as are necessary for the independent exercise of their functions.

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

Article 9. Definitions.

For the purposes of this Agreement:

The word "coal" shall mean all coal (whether anthracite bituminous brown coal, lignite or other species), coke (whether produced at gas works or coke ovens), briquettes or other manufactured solid fuel and pitch for use in the manufacture of solid fuel.

The expression "coal-mining supplies and equipment" shall mean such articles, including machinery and parts thereof, as are used in the production and treatment of coal.

Article 10. Entry into force and duration of the Agreement.

This agreement, which is drawn up in French and English, both texts being authentic, shall enter into force on the 1st January, 1946, for an initial period of one year. The member Governments (or some of them) may prolong its operation for such further period as they may determine. Any member Government may, however, on or at any time after 1st October, 1946, give three months notice of withdrawal from the Organisation.

In faith whereof the undersigned, duly authorized by their respective Governments, have signed the present agreement.

Done in . . . . . on. 1945

in a single copy which shall be deposited with . . . . . .

. . . . . .

1164

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

ECO/SWP/10 EUROPEAN COAL ORGANISATION DRAFT (Subject to approval by the Eleventh Meeting)

Record of the Tenth Meeting of the Statistics Working Party

1. The Tenth Meeting of the Statistics Working Party was held on 11th January 1946.

2. The Record of the Ninth Meeting was approved.

3. Associated Countries.

The Meeting then discussed the question of the Statistical information that should be requested from the Associated Countries, and it was agreed that a Statistical Memorandum should be issued to them requesting the submission of the following information:-

(a) Details of existing trade agreements and projected future ones by which these countries will receive solid fuels, together with a statement of the monthly tonnage likely to be received during 1946 as a result of such agreements.

(b) ECO Statistical forms completed in the same detail as is provided by Member Countries, so that the Secretariat would receive from each Associated Country:-

(i) Weekly Cable (Statistics Memorandum 14th July)

(ii) Monthly Report on ECO Form 1 (Revised) for Producer Countries (Statistics Memorandum No. 22) or

(iii) Monthly Report on ECO Form 3 for Non-Producer Countries (Statistics Memorandum No. 13)

(iv) Forecast of Solid Fuel Requirements for one month in detail on ECO Form 2 (Revised) (statistics Memorandum No. 10)

(v) Forecast of Requirements for three months, ECO Form 4 (Statistics Memorandum No. 10)

(c) Details of Pre-war Statistics on the same basis as the Member Countries have supplied:-

(i) Solid Fuel Consumption 1935/38 (Statistics Memorandum No. 5)

(ii) Statistical Publications or documents relating to Production (including Labour data), Imports, Exports etc. of solid fuels for the period 1938/44 (Statistical Memorandum No. 7)

1169

(d) Pending the consolidation of these detailed statistics each Associated

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1163

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(d) Pending the consolidation of these detailed statistics each Associated Country be requested to submit with the minimum delay an interim statement in the form set out below (ECO Form 6)

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

Form 6 — Associated Countries — Country . . . . . .

Metric Tons

Detail	Monthly Av 1935 - 38	Monthly Av 1944	Monthly Av 1945	Forecast 1946
1. Total Consumption				
Coal				
Patent Fuel				
Coke				
Brown coal				
" " Briquettes				
Peat x				
Wood x				
2. Indigenous Production				
Coal				
Patent Fuel				
Coke				
Brown coal				
" " Briquettes				
Peat x				
Wood x				
3. (a) Hydro Electric Production				
(b) Hydro Electric Consumption (in KWH's)				

x if these figures are available.

4. Release of Statistical Information to the Press.

The Meeting reviewed the contents of the ECO Weekly and Monthly Reports and agreed to recommend to the GPC that the information to be released to the Press should be:-

(a) The ECO Weekly Report excluding any reference to the Russian Zone of Germany and excluding the Statement of Apparent Consumption.

It was agreed that these two items could be omitted also from future weekly reports prepared for ordinary circulation in order to avoid the otherwise necessary preparation of a Report specially for the Press.

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(b) A Summary of the Monthly Report showing only totals of Production, Employment,

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

Coal				
Patent Fuel				
Coke				
Brown coal				
" " Briquettes				
Peat x				
Wood x				
2. Indigenous Production				
Coal				
Patent Fuel				
Coke				
Brown coal				
" " briquettes				
Peat x				
Wood x				
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It was agreed that these two items could be omitted also from future weekly reports prepared for ordinary circulation in order to avoid the otherwise necessary preparation of a Report specially for the Press.

(b) A Summary of the Monthly Report showing only totals of Production, Employment, Imports and Exports for each Country.

It was agreed that the details of the Russian Zone and Consumption figures should be included in the Monthly Report and that in view of this only a summary of this Report should be released.

(c) It was further agreed that this information should be released every fourth week after the initial issue.

(d) The Secretary of the Working Party was therefore instructed to prepare urgently for approval of the Working Party Members and subsequent presentation to the General Purposes Committee:-

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

(a) The Weekly Report in its agreed new form.

(b) A Summary of the Monthly Report giving the July, August and September Totals of Production, Employment, Imports and Exports, and Stocks.

Note. Weekly Report No.24 omitting the two items discussed, will cover the four weeks of December, and it will be ready for issue early in the week commencing 21st January.

5. Principles of Basic Allocations.

The Meeting discussed the scope of this question and heard from Major Rees the manner in which the ECO Proposals for Allocation were at present compiled. APC Paper 13 in which possible Principles were reviewed in August, was drawn to the attention of the meeting and it was recalled that no positive action had resulted from this paper, because the many special circumstances which then existed within the countries made the adoption of any basic principle most difficult.

The Meeting agreed that it could, at this stage, only explore the possibilities of devising a Basic Principle that could now be accepted by all countries, and as a first step in this exploration the possibility of basing allocations upon consumption details should be examined.

Therefore, the Secretary of the Working Party was instructed to prepare for the initial approval of the Working Party members and for subsequent submission to all Members, a paper showing:-

Table 1. Consumption : Monthly Av.: 1935/38 : in Metric Tons

Category of Consumption	Country A		Country B		Country C	etc.	etc.	etc.	etc.	Total All Countries	
	Tons	% of Total	Tons	% of Total	etc.	etc.	etc.	etc.	etc.	Tons	%
Railways											
Gas Works											
etc.											
etc.											

In addition a second table is to be presented, showing the average Monthly Consumption for each category over the period July/December, in order that it may be seen whether any great changes have place in the proportions shown in the 1935/38 figures.

6. Other Business

(a) Basic Statistics

1161

Declassified E.O. 12356 Section 3.3/NND No. 763017

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Gas Works										
etc.										
etc.										

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1161

6. Other Business

(a) Basic Statistics

Mr. Gueronik enquired about the progress that was being made in the compilation of the Revised Basic Statistics booklet. The Secretary reported that this had been delayed because of staff shortage and pressure of current work. Work is being done whenever possible byt it will be some time yet before the booklet can be got into type.

(b) U.K. Published Statistics.

Mr. Gueronik requested that ECO include in its Monthly Report the U.K. Coal Statistics as, and when, published in the Board of Trade Journal.

Mr. Brookbank, the U.K. Representative of the Working Party, informed the Meeting that there would be no objection to this and he would obtain copies of the supplement required, commencing with the November 24th issue, covering the third quarter of 1945.

R.E. HILLS
Secretary
Statistics Working Party.

Issued : 15 January, 1946.
From : 19, Chester Square, S.W.1.

Declassified E.O. 12356 Section 3.3/NND No. 745017

0955

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

FEB 11 1946

THE LOCAL SUBCOMMITTEE OF THE LABOR AND WAGES
CONTROL COMMITTEE IN AND FOR PENINSULAR BASE SECTION
LESS SOUTHERN DISTRICT

AGENDA

8 February 1946

The fourth meeting of the Local Subcommittee in and for Peninsular Base Section less Southern District will be held at 0930 hours, Monday, 18 February 1946, at the office of Major Herman N. Reil, Room 73, Headquarters, Peninsular Base Section, Leghorn, Italy to consider the following:

1. Minutes of the third meeting of the Subcommittee which was held on 4 August 1945.

2. Comparison of Leghorn-Pisa private wage rates with Armed Forces wage rates authorized in the Leghorn-Pisa area.

3. Adjustment of Armed Forces wage rates in the Leghorn-Pisa area if indicated.

4. Any other business.

Herman N. Reil

HERMAN N. REIL
Major, A. U. S.
Chairman

558/ac

DISTRIBUTION:

CG, PBS
Ch. Com. Allcom, Rome
AFIRS (AFHQ) Rome
CAO, AFHQ
BPA, PBS
BPA, So Dist, PBS
AG Civ Per, So Dist, PBS
AG Civ Per, PBS
GOC, II District (Br)
CG, AAFSC/MTO
NOIC, RN, Leghorn
Zone Commissioner, AMG,
Livorno Zone
US Labor Advisor, AFHQ
BR Labor Advisor, AFHQ
66th AA Bde Hqtrs (Att:
Capt. Anderman, CLU)
GOC, I District (Br)

11

0956

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

FX 60312

FEB 071700 A

G/8864

FEB 080845

PRIORITY

AFHQ CITE FHGDM SIGNED SACMED
PENSOUTH MOV NAPLES ALCOM DISTRHEE TN MAIN ROME
INFO: PENBASE

CONFIDENTIAL

1. MEETING WILL BE HELD 1500 HRS MONDAY 11 FEBRUARY IN PENSOUTH CONFERENCE ROOM NAPLES UNDER JOINT CHAIRMANSHIP DQMG (M) AFHQ AND REP CG PBS TO DISCUSS OPERATION OF PORT OF NAPLES DURING AND SUBSEQUENT TO US WITHDRAWAL.

REQUEST YOU BE REPRESENTED.

2. LETTER WITH AGENDA AND DETAILS FOLLOWS.

AC DIST.

ACTION: TPTN 2

INFO : CHIEF COMMISSIONER

ECON 2

FILE 2

FLOAT

1159

cc/853

Wilcocks 3-47

0957

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Staff Minute Sheet. Pack No.....

FLAG OFFICER, ITALY and LIAISON.

Subject :- PORT OF NAPLES.

Originator, reference No. & Date :-

Referred to
X for action
/ for information

Captain Mentz

TO BE SIGNED BY

AFTER ACTION

DISPOSAL

Remarks should be drafted in the form of a letter or signal to cover desired action.

Telephone conversation with Naples has elicited the following information:-

The Port is divided into three zones, British, U.S.A, and Italian. Representatives of these and other bodies interested in the port meet every Monday, under the chairmanship of the British N.O.I.C.

The actual working of the port and its harbour craft is now carried out by the Italians. The Italian Admiral in Naples, Admiral OLIVA, is in touch with all the Allied Authorities through N.O.I.C. If the Italian Government wishes to obtain the use of any part of the port, they can put their case forward through Admiral Oliva. At the present time the port is working to full capacity and there is little immediate likelihood of the Allies releasing any quays which are in use.

The only British party at Naples is the C-in-C's communications party and a small rearguard of naval ratings who are engaged in withdrawing British naval stores. There is a U.S.A party there, but it is not known when they intend to pull out. COMNAVNAW' Office is in Navy House and is presumably the proper channel of communications for finding out about U.S.A activities in the port.

No British ammunition is being withdrawn through the port of Naples.

W.A. Dunbabin .8/2.

Continue on fresh minute sheet if necessary.

JAN 25 RECD

Chief Censor's Office

ALLIED PUBLICATION BOARD

Minutes of the final meeting of the Central Allied Publication Board held in Rome at 3.30 p.m. on the 18th January 1946.

PRESENT: Maj G.M.Sinclair Noble - Chief Press Officer APB (Chairman)
Lt Col T.G. Corgin - Director, Public Relations, A.C.
Lt Col Pemberton-Piggot - British Embassy & MOI
Mr Stewart Brown - USIS
Mr J.W. Jones - U.S. Embassy
Mr Gene Caprio - Press Attaché, American Embassy

OBSERVERS : Capt. T.Isolani - APB Press Officer, Venezia
Dr Lazzara - Italian Govt.
Marchese Cavalletti - " "

1. The minutes of the previous meeting, held on Oct.18,1945 were taken as read.

2. Business arising out of minutes --

a) Page 1, Para 3, AVANTI and UNITA', Milan: Major Noble referred the Board to the decision to suspend publication of above daily newspapers for one day as a disciplinary measure following their publication of an unauthorised "sports" edition in the first case and of an unauthorised 4 page edition in the second. After representations had been made to the Regional Commissioner and to Major Noble by all Northern dailies and the two editors concerned had agreed to publish a full acknowledgement of fault, it was decided that instead of suspension for one day, the newspapers should suffer a 10% reduction in circulation over 10 days. Individual members of Central Board were consulted through PR, AC, and the decision was confirmed.

b) Page 3, Para 3, GAZZETTA D'ITALIA, Turin: This para referred to prejudiced political campaigning carried out by a newspaper authorised as an independent. Major Noble stated that following discussions with the editor and commissario after the last meeting, there had been no further cause for complaint.

c) Page 4, Para 3, LA PATRIA: This was an Italian Army daily authorised by the Board at the last meeting to continue publication under another title as an independent. Major Noble pointed out that although license was granted three months ago, the newspaper had not yet come into publication.

3. Chief Press Officer's report on Press and Radio, Northern Italy:

157

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OBSERVERS : Capt. E.Isolani - APB Press Officer, Venezie
Dr Lazzaro - Italian Govt.
Marchese Cavalletti - " "

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3. Chief Press Officer's report on Press and Radio, Northern Italy:

a) General -- Major Noble first referred to the fact that no control Board meeting had been held since October 18,1945, and said that since that time no meeting had been convened be ause only a few isolated cases had arisen requiring decision and these had been referred to members individually through the Director PR-AC. In all other matters there had been clear precedents and action had been taken within reference. Control during the past two months had of necessity been skeleton. With the Regional Press Officer Veneto

157

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in England on leave and the withdrawal of the Piemonte Press officer. Piemonte owing to termination of his CWI contract, the Chief Press Officer had been personally responsible as the only Allied Officer, for Regional APB's Lombardy, Piemonte and Venezia. An AMG officer had been allocated to Liguria. Work had been confined therefore to the granting of licences by local Boards, to the control of newsprint and to the settling of incidents involving articles to which the Allied authorities objected. All such incidents had been closed satisfactorily. Directors of Radio Milan, Radio Turin, Radio Venezia and Radio Genoa had maintained balanced and objective programmes and no interference had been necessary.
A large number of applications for periodicals had been received in all regions, and since flatbed paper was uncontrolled the granting of licences had been automatic after vetting by the Italian press authorities who were working in a consultative capacity with APB.

The circulations of the daily newspapers had been adjusted fortnightly following the checking of numbers of copies printed, on the principle of copies printed plus 10% for wastage.
With reference to newsprint, Major Noble said that the technical capacity of the northern paper mills could triple present production (which even now was amply sufficient to cover northern needs). In order to obtain the shorter production, which would serve also the south, making roll newsprint a free commodity rather than politically controlled, it would be necessary to have a higher priority in electric power, extra transport facilities, and the expediting of negotiations for the importation of cellulose and other necessary raw materials.

b) Regions:

Lombardy: Major Noble reported two cases which arose last month of distortion of fact by the Milan Communist daily UNITA'. Satisfactory rectifications had been published and the editor was warned against further irresponsible articles. Behaviour had since been exemplary.
An application had been received from the Rome independent daily EPOCA for transfer to Milan. Major Noble said that policy was against the publication of Rome newspapers in the north and that EPOCA gave no good reason for reversing that policy, creating a new precedent at this late stage.
Another application had been made by a group of young AFH employees, headed by a lieutenant aged 24 for an independent Milan daily under the pre-Fascist title of RISORGIMENTO. At first the Regional Commissioner had been in favour of the application, but after discussion with Major Noble and the Lombardy Board, agreed that the group

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

programmes and no interference has been received.
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Another application had been made by a group of young ANT employees, headed by a Lieutenant aged 24 for an independent Milan daily under the pro-Fascist title of RISCOSSA. At first the Regional Commissioner had been in favour of the application, but after discussion with Major Noble and the Lombardy Board, agreed that the group had no political right, and very little journalistic qualification, to a daily, and it was decided to put the group into touch with the journalists organising the new edition of LA PATRIA with a view to collaboration. Discussions had now been successful, however, and the group were making a new application to the Italian Govt.
Dr.Lazzara said that the Italian Govt. had received a private application for the title of the former Allied publication "IL RESTO". He added that by Italian law the name of a periodical is the property of the original copyright owner until a period of two years has passed after cessation of publication unless the owner

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volunterily waives his rights. This, Col. Piggot said, the British owners were unwilling to do for El Mesc at this time and Mr Jones said that the Americans concurred in this view.

Piemonte, Venezia and Liguria: Nothing of consequence had occurred in these regions since the last meeting.

4. HAND-OVER TO NEW ITALIAN GOVT. Major Noble said that with effect from Jan 1st 45 control of press in the north had been passed to the Italian Govt., as had administration with the closing of AMG. For the past fortnight he had been working with the Italian Govt. representative. Files, licences and relevent archives had been passed over, outstanding matters had been discussed, and it was felt that the hand-over had been effected and fully and clearly. Dr. Lazzaro (President del Consiglio) stated on behalf of the Italian Govt. that he was highly satisfied with the hand-over and that his Govt. intended continuing APB policy, maintaining the equilibrium established by APB.

Major Noble said that the guarantees of independence - guarantees signed by editors and administrators of the independent (non-party) dailies to "maintain a strictly objective informative policy and to remain independent of and unattached to any political party or group" - had been passed to the Italian Govt.

The Board was of opinion that in order to maintain as far as possible the principles of a free and objective press, the guarantees should be maintained as far as possible, and the following motion, moved by Mr Jones, was adopted.

> "That it is the feeling of this Board that all guarantees of independent policy made by newspapers licenced as 'independent' be maintained by the Italian Govt. until proper and responsible ownership of such newspaper has been established."

The only dissenting vote on this motion was from Lt Col Berrin, who stated that he could see no utility in the motion since the matter was now entirely in the hands of the Italian Govt.

Major Noble, after reporting that there were no further matters for discussion and that the work of APB was concluded, expressed to the Italian Govt. representatives the good wishes of the Board for the happy solution of future problems.

A motion was adopted thanking Major Noble for his work with APB particularly in the last month when he was without assistance.

1156 -

The meeting closed at 5.30 p.m.

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0963

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185 RESTRICTED C/7829

JAN 221419 A JAN 221630 A

PRIORITY

PENBASE

MTOUSA AFLC ROME WSA NAPLES ALCOM ROME

RESTRICTED.

Subject is conference reference to transfer of civil supplies to army. Reference Penbase cable 1185, dated 19 January 1946. Penbase 11868. CITE EPGDS. Penbase.

Due to unforeseen circumstances conference acheduled for thursday 24 January 1946, at 1400 hours, in G-4 Office, will not be held until monday, 28 January 1946, at 1400 hours. Request comments or confirmation of attendance by return cable.

New subject for MTOUSA only colon this answer your C 15565 dated 21 January confirming telephone conversation Colonel Forbes, G-4 Penbase and Major Atkinson, G-4 MTOUSA. Will appreciate attendance of Major Atkinson at 28 January conference. Suggest representative of G-5, AFHQ also attend.

AC DIST.

action: ECON SEC 2

INFO: CHIEF COMMISSION

TN 2

FINANCE

WSA

MWTR

FILE 2

FLOAT

1155

RESTRICTED

0964

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

HQ ALCOM

JAN 46

(1) ACABRIT

(2) AFHQ FOR FHGEO (3) OC CMF HFA FOR LIAISON PARTY

129

UNCLASSIFIED

SUBJECT IS ITALO-AUSTRIAN TRADE CONFERENCE ED
PARA ONE FD ABLE FOX HOW QUEEN AGREES TO ESSENTIAL POSTAL
OR TELEGRAPHIC COMMUNICATIONS CMA CERTIFIED AS OFFICIAL
CMA BEING PASSED BETWEEN ALLIED COMMISSION AUSTRIA AND
ALLIED COMMISSION ITALY ON BEHALF OF ITALIAN COMMERCIAL
DELEGATION FD ITALIAN GOVERNMENT ADVISED FD
PARA TWO FD NO CODE SIGNALS ARE ADMITTED

Copy to: AFHQ, G-5
(Your G-5: 311.1 of 5 January refers)
Economic Section

11.5/4 -

ROUTINE

COMMERCE (FOREIGN TRADE) S/C

478192

(MAJ. S.K.I. SAUL)

G.J. LEONE
CWO, USA
Asst.Adjutant

0965

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

HQ ALCOM

3 JAN 46

(1) ACABRIT

(2) AFHQ FOR FMEC (3) CG CMF BTA FOR LIAISON PARTY

9866

UNCLASSIFIED

SUBJECT IS ITALO DASH AUSTRIAN TRADE CONFERENCE PD
PARA ONE PD OUR SIGNAL NINE SIX EIGHT FOUR OF TWO EIGHT DECEMBER YOUR SIGNAL ONE ZERO SIX EIGHT SIX OF TWO NINE DECEMBER REFER PD
PARA TWO PD ITALIAN DELEGATION PROBABLY NOW ARRIVED VIENNA PD
PARA THREE PD CAPTAIN ROTHEY OF THIS HEADQUARTERS LEFT ROME TODAY DUE VIENNA TOMORROW

Copy to: Economic Section

1153 ROUTINE

COMMERCE (FOREIGN TRADE) S/C

478192

(MAJ. S.E.I. SAUL)

C.J. LEONE
CWO, USA
Asst. Adjutant

0966

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

10686
DEC 291600

G 6488
DEC 311000

PRIORITY

ACABRIT VIENNA

HQ ALCOM , INFO: AFHQ FHQEG RPTD OG CMF BTA LIAISON PARTY

UNCLASSIFIED:

Subject is Italo Austrian trade conference in Vienna.

Your 9597 of 27 December particularly paragraph 6.1. Acabrit will send cars to Vienna airfield to fetch the Italian delegates. Dr BECKER senior Official of Austrian State Department for Industry trade and commerce will be present at airfield.

2. Suitable accomodation will be arranged in Vienna through medium of the Italian representative of the Red Cross.

3. Austrian currency for personal expenses will be forthcoming through Austrian National Bank.

4. Please notify us of date departure and expected time arrival Vienna to facilitate reception arrangements.

AC DIST

ACTION - COMMERCE-(FOREIGN TRADE)SC
INFO - CHIEF COMMISSIONER
ECONOMIC SEC (2)
FILE 2
FLOAT

1152

Chief Commissioner

"C & - RECD

MINISTRY OF PUBLIC WORKS

Central Commission for the Rationing of Electric Power

MINUTES

Meeting held on December 29, 1945, at 0930 hours.

Present:

Prof.Eng. M. Visentini	-	Chairman
Dr.F. Fascieni	-	Member
Dr. M. Valentini	-	Member
Dr. Eng. Dall'Agli	-	Representing Dr.Eng.Pevia-member
Dr. Eng. G. Silva	-	Member

For attendence:

Col. G.F. Perker of A.C.H.Q. and the Allied officers representing Rome and Naples Districts.

Mr. Moruni (State Railways)
Eng. Asta
Eng. Rota
Eng. Carbino
Dr. Lupo

1. Statement by the Chairman

Prof. Eng. Visentini reported that, following an agreement between the Allied Command and the Italian Government, the functions of allocating the electric power available to the various areas had been handed over to the Central Commission, as of January 1, 1946.

Three Provincial Commissions (Rome, Naples, Florence) have been appointed in order to advise on the power allocation in those three regions and held meetings during the period 20-25 December 1945.

An allocation sheet was then set up by the Central Commission according to the informations and recommendations received from the Provincial Commission.

2. To discuss the electric power allocations for Central

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Present:

Prof.Eng. M. Visentini	-	Chairman
Dr.F. Fascieni	-	Member
Dr. M. Valentini	-	Member
Dr. Eng. Dell'Agli	-	Representing Dr.Eng.Pavia-member
Dr. Eng. G. Silva	-	Member

For attendance:

Col. G.F. Parker of A.C.H.Q. and the Allied officers representing Rome and Naples Districts.

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2. To discuss the electric power allocations for Central and Southern Italy for the month of January 1946.

(see attached allocation sheets)

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L.Moroni (State Railways) reported that the Roma-Orte railroad section should be operated from January 15; this is an important service requiring 3,000 additional KW's for the State Railways allocations.

Col. Parker and the Representative of 3 District called the attention of the Committee on the electric power situation in Southern Italy and on the fact that the power supply from Terni to S.M.E. coincides with the reactivation of Crotone and Pertusola plants.

The Representatives of FW-GHQ and 3 District protested against the allocation made to Pertusola and Crotone plants, stating that this will render it necessary large disconnection of feeders in Southern Italy; those disconnections could not be tolerated by the military establishment which already are subjected to interruptions effecting their efficiency.

Col. Parker requested that the power supply to Crotone be subordinated to disconnections of other industrial customers for an equal amount of power.

Prof. Visentini explained that the Southern Italy situation had already been discussed, during the last few days, with Ing. Masturzo of S.M.E.; the suggested allocation sheet had been set up following those discussions. However, he stated that the matter of supplying Crotone would again be taken up in the afternoon together with Ing. Masturzo keeping in mind the recommendations of the Allied representatives.

The Committee then agreed some minor changes to the power allocations in connection with Ansaldo and UNES area.

The Chairman suggested to postpone the discussion of N-3 and N-4 of the Agenda to the meeting to be held on February 7, 1945.

3. Any other business

The Chairman pointed out that at the next meeting, to be held at the end of January, the power allocations for February would be examined, including the Northern Italy area.

Col. Parker requested that the Representatives of 3 District and 13th Corps (Venezia Giulia) be invited to attend to the meeting.

4. Date and Time of the next meeting

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4. Date and Time of the next meeting

The next meeting will be held at the Ministry of Public Works at 0930 hrs. on January 28, 1946.

Notes on the meeting held in the afternoon

Following decisions were taken:

1. Crotone plant will be supplied
2. Supply to Pertusola plant postponed
3. The Ferro-Alloys plant (Ilva-Naples area) will be curtailed by 1,000 KW in order to make it possible to send 6 MW to Crotone.

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SOTTHERN ITALY ------- JANUARY 1946

AREA SERVED	RESPONSABILITY OF	Permissible 15 Minute Peak KW x 10^3	Permissible Energy kWh x 10^6
Apulia Co.	Italian P.W.	42	25
To U.N.E.S.	" "	1	0.4
Naples District	P.B.S.	44	25.5
Campania Co:			
(i) Frattamaggiore	P.B.S.	3.5	2.25
(ii) Pomigliano	Italian P.W.	3	1.3
(iii) Salerno-Torre Cast.	" "	21.5	12.15
(iv) Benevento	" "	3.25	1.6
(v) Calore	" "	1.25	0.8
(vi) S. Maria	P.B.S.	5.5	2.8
Lucania Co.	Italian P.W.	5	2.5
Railways:			
Naples area	M.R.S.	3	1.1
Foggia-Benvento	"	8	3
Salerno-Torre	"	3.5	1.5
Villa Literno	"	1.5	0.5
Total 150 KV at sub stations		145.00	80.40
Calabria 60 KV system:			
(i) Calabria Co.	Italian P.W.	8.5	2.25
(ii) Railways	M.R.S.	10	2.7
(iii) Crotone (Montecatini Works)	Italian P.W.	7	5
Total 60 KV sub stations		25.5	9.95
Total 150 KV and 60 KV		170.50	90.35

Power required by Crotone Works is 8 MW. The difference betewn requirement and allottement will be subtracted from Ilva Works Bagnoli (Ferro Alloys) Naples(P.B.S.)

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CENTRAL ITALY

January 1946

AREA ALLOTTED TO X CONSENSUALITY OF	0600-1700 KT x 10	1700-2200 KT x 10	2200-0600 KT x 10	Demarcation Army AWZ10
DISTRICT 5.				
Pre Installations	17.5	17.5	20.5	15.2
Power Stations	5.5	5.5	5.5	3.5
Road Bridges (10 KT)	15	15	15	11.5
Barracks & Refinery	4	2.5	4	2.5
Depots	5	2.5	3	1.5
Ports and Airfields east to North including Rimini	12	12.5	6.	5.5
Orvieto & District	1.1	1.1	1.75	0.9
Adriatic South to Pescara inclusive of Aquila	4	3.0	2.5	2.5
Frosinone	3.2	3.5	1.7	1.7
Rieti	1.5	1.4	1.25	0.5
Viterbo	1.6	1.8	1.25	1
Rome District	1.6	1.8	1.25	0.9
Civitavecchi & Littoria	7.4	8.2	7.7	4.1
Rome	84	96	61.5	44.2
Ports (-)	13	13	13	5.5
Total	174.5	196	135.7	98.6
DISTRICT 3.				
Terracina-Cravasso Torricelli -Sora Piedimonte -Isernia Isoca-Castellone-Pra District 3. Aquino & District	82.5	91.5	47.5	50
	217	201.5	184.2	148.6

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BEST COPY POSSIBLE

The preceding figures are referred to the plants and are calculated in normal operating conditions with the 50 cycles efficiency in Grillo station. Should the frequency and consequently the efficiency become lower the above reported figures are to be reduced.

Any reduction of request is to be reported to Grillo station as to reduce as much as possible the quantity of water spilled from Salto and Turano reservoirs.

(+) An reduction of the State Railways request will increase the Terni Works supply.

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HEADQUARTERS
ALLIED MILITARY GOVERNMENT
XIII CORPS
Public Relations Section

No. 5
Report of proceedings at Senior Civil Affairs Officer's
Weekly Press Conference 28 Dec. 1945

by an AIS Correspondent

JAN 3 RECD

NO POLITICAL DISCRIMINATION IN FIRE BRIGADE

DIFFICULTIES OF EPURATION IN VENEZIA GIULIA

Trieste, December 28 U.N.N.

The question of dismissals from the Venezia Giulia Fire Brigade was well to the fore in this afternoon's press conference held at the Headquarters of AMG and presided over by Colonel Alfred C.Bowman.

"What is the attitude of Allied Military Government," it was asked "on the abuse of power by the Fire Brigade against people who are professionally blameless and politically more recommendable because of their anti-Fascist record during the war?"

The trouble, it was stated, concerned dismissals or transfers to the provinces, considered tantamount to punishment. It was affirmed that the "discretionary powers" of the Fire Brigade Chiefs were not sufficient to warrant what was happening.

The Public Safety Officer stated in reply:

"After reduction of staff, it was found that only 25% of the manpower was distributed throughout nine stations and stores whilst 75% of the strength was concentrated at the Central Fire Station.

The unequal distribution necessitated the transfer of 60 men from the overcrowded Central Station.

Transfers of personnel to meet exigencies of the service is a normal fire brigade practice in any country and, under the old Italian National Fire Service Regulations, men could be transferred not merely to local provincial stations but to distant parts of the country.

This is possibly the reason that a few of the staff may not be residents of Zone "A".

The subject was then taken up at greater length by the questioner in the following terms:

"Some dismissals and postings of an obvious but unaccountable political character are occurring in the Fire Brigade. We admit the truth of the contention regarding excessive personnel, but we ask how it is that many policemen who had been reported unfit for duty two months ago by the Medical

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Again the Public Safety Officer replied as follows:

"We have no knowledge of any Medical or Technical Commission being set up to report on men considered unfit for service.

If any Commission was ever in existence, it must have been before the AMG Fire Officer took charge of the service.

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Schede Personali have been completed and forwarded to the Security Section but it has, so far, not been possible to complete investigation.

There is a total of five men who are not residents of Zone "A". They are from Zone "B".

Owing to the decrease in establishment, it was decided, in order to avoid unemployment as much as possible, to offer men the opportunity of alternative employment in the Police Force.

Employment in the Police provided a much higher standard of pay, food and clothing than that offered by the fire service so that, change of employment is not punishment but savoured rather more of an award of better and more lucrative employment.

The six men named as discharged all joined the service during the last years of recruitment, that is, 1942-1944 and were amongst others who were also discharged with these Service groups. A few men were retained in these groups being particularly efficient as drivers, mechanics, etc. and whose discharge would have impaired the efficiency of the Force. The others named happened to be included amongst the 60 who were transferred and in justice to all, this six will not be given "preferential treatment".

COLONEL BOWMAN ON EPURATION

The trial of Pagnini, ex-podesta of Trieste had been subjected to some criticism at previous conferences, and Colonel Bowman had stated his intention of examining the records, for his information only and not as a judicial review. At the opening of this afternoon's session, therefore, he said he desired to make only one statement, and that was, that upon examination he was satisfied that "a court of honest men could on the evidence presented only reach the verdict that this court did."

"I can express no opinion on evidence not presented on the court," he added, however.

The subject of epuration was also raised after question time by a press representative who stated that he had participated in the epuration commission in Milan. He expressed astonishment at the slow process of epuration in the city of Trieste. "The war and the presence of Allied troops in this region were brought about by the culpability of people who are now freely ciculating in the streets."

Colonel Bowman thereupon asked him whether the people he referred to had been denounced and subsequently acquitted and the questioner then instanced the case of the conductor Edmondo De Vecchi who had received a suspension of two months only although he was an old member of the Fascist party and an anti-marcia.

Colonel Bowman replied "I am not sure that the Epuration Commission might not have been more severe. One difficulty is that the people who should be most interested in epuration refused to participate in the commission but sit back and criticize. The Commission has not been functioning long enough for a general conclusion to be drawn and any decision is bound to fail to satisfy some people. In Milan there were no national divisions, and this resulted in a unaminity of opinion and action which cannot be reached here, I regret. But if, after a certain time, it appears that the epuration machinery is not effective, I shall have to make certain changes. At the time of their establishment, it was difficult to find people to sit on the commission. But a great deal of good has been done and several severe judgments have been passed."

A correspondent then remarked that the so-called Slave-Communists did not refuse to participate in the Commissions of epuration. Until June, he contended, there existed commissions composed of more consistant anti-Fascists than those at present.

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EPURATION OF ALLIED MILITARY GOVERNMENT PERSONNEL

The subject of epuration was taken up in a slightly different form in the next question.

"Can the Senior Civil Affairs Officer," it was asked, "explain the principle of recruitment for the employees of Allied Military Government, and can he also state whether these employees can, where necessary, be liable to epuration proceedings?"

The competent Officer of Allied Military Government stated in reply:

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Civilian Employment Section operates at this HQ under the control of the Camp Office. Personnel is recruited directly by the Section or on recommendation by the Divisions who have certain personnel (specialists) whom they wish to employ. In all cases the Section is responsible for hiring and dismissing and also all documentation insurance, etc. Unskilled labour and artisans are obtained from the Trieste Labour Office. A long list with particulars of personnel who have been interviewed is kept by the Section and from this list employment is given where possible according to the requirements of Divisions. A weekly return is made to the Labour Office. Specialists are imported from other regions, but in most cases people of Trieste are employed. Wages are paid, starting from a minimum for the first fifteen days, according to regulations for the employment of civil, subject to changes and bonus, etc, in accordance with instructions of the Finance Section.

The Legal Officer then added:

"Employees of the Allied Military Government are not subject to epuration proceeding before the Epuration Commissions which have been established. They are, however, subject to epuration by the Allied Military Government. They are not employed until after they have filed Scheda Personale, which is always followed by a thorough investigation in each individual case by investigative agencies of the Allied Police.

Colonel Bowman then remarked "Many of our personnel have come here with us from other parts, but there are a considerable number of local people in the lower grades and among non-specialist personnel numbering in all about 700. As far as epuration goes," he concluded, "we think we have made a pretty good job of it."

REEMPLOYMENT OF ANTI-FASCISTS

"About two months ago" the next question stated, "we presented a statement regarding the improvement of conditions of State employees who had been dismissed at the beginning of the Fascist era because of their democratic ideas, and who, after ten years and more of suffering are now in a very serious economic plight. Colonel Bowman asked us to make a list of such people and promised to take an interest in the matter so that some provision should be made for them. We have submitted a total of about 35 persons, but the people are waiting still for the expected alleviation of their lot."

1147

Colonel Bowman replied, "I have interviewed about 30 people of this kind recently and have established that they are genuine cases. Some of them, however, who were dismissed twenty years ago are now very old and seek an increase in their pension rather than reemployment. My Legal Officer thinks there are a great number of people of this kind, and wants to prepare a plan making standard provisions for their reemployment. I have instructed him to do this as soon as possible. Meanwhile, the names already submitted to me will be given preferential treatment on an informal basis. If therefore, they apply to this headquarters they will be given temporary reemployment. I must stress, however, that this concerns only those whose names have been already submitted to me and who have been interviewed.

DIFFICULTIES OF FORWARDING AGENCIES

A question regarding the hardships devolving upon gorwarding agencies (Case di Spedizione) were dealt with by the Chief of the Economics Division, who said:

"The situation of the forwarding agencies in Trieste today is very similar to that of their companions in other cities

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Governmental agencies have taken control of the market and the business affairs are actually treated directly between the interested governments, leaving very little for private initiative.

Anyway, it can be considered that in the near future the importance of the AMG imports will be considerably increased.

In such case the opportunity would be presented for employing more firms for the consignment and receiving of this merchandize, and the services of the Shippers Union will certainly be taken into consideration."

END

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1 Executive Commissioner, HQ, ALCOM, Rome (Brig.LUSH)
1 Lt-Col.MEYNELL, HQ PR, Rome
1 BGS 13 Corps (Brig. CLARK)
1 GSI 13 Corps
2 POLAD BRITISH, Mr. SULLIVAN
2 POLAD AMERICAN, Mr. GREENE
7 HQ AMG, Trieste Area
8 HQ AMG, Gorizia Area
8 HQ AMG, Pola Area
7 HQ AIS, Trieste
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1 Maj. HENEKER, ADPR, BTA
1 Col.Stanley GROGAN, PRO, PSFA

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1 Maj. HENEKER, AMPR, BTA
1 Col.Stanley GROGAN, PRO, VSTA

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HQ AICOM

22 dec 45

ACABRIT

AFHQ FHGEG RPTD CG CMF BTA FOR LIAISON PARTY

UNCLASSIFIED

XXXX 9597

SUBJECT IS ITALO AUSTRIAN TRADE CONFERENCE IN VIENNA PD
PARA ONE PD OUR CABLE EIGHT NINE ONE FOUR DATED SEVEN DECEMBER REFERS PD
PARA TWO PD FOLLOWING IS ADDITIONAL LIST OF COMMODITIES PROPOSED BY ITALIAN GOVERNMENT PD
PARA THREE PD ITALIAN SUPPLIES TO AUSTRIA CLN ORANGES CMA TANGERINES CMA SHELLED ALMONDS CMA PINONES CMA PISTACHIO NUTS CMA CABBAGES CMA CAULIFLOWERS CMA JUNIPER BERRIES CMA FLOWERS CMA MEDICINAL PLANTS CMA MUSTARD SEEDS CMA BROOM CORN STALKS AND BROOM CORN BROOMS CMA RAW CORK CMA LICORICE JUICE CMA WINES CMA VERMOUTH CMA LEMON AND OTHER ESSENTIAL OILS CMA DRIED VEGETABLES CMA FRUIT PULP CMA SILK TEXTILES CMA SILK CLOTHING CMA FELT HATS PD
PARA FOUR PD ITALIAN REQUIREMENTS FROM AUTRIA CLN KAOLINE CMA CLAY AND FIREPROOF EARTHS CMA FIREPROOF MATERIAL CMA STRONG GLUE ENDA
PARA FIVE PD CORRECTIONS TO PERSONNEL PD DELETE CLN MARIO

../..

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ARDIZZONE PD ADD CLN NAZARENO ROVIDOTTI CMA MARTA DALFONSO
CMA BOTH MINISTRY FOREIGN AFFAIRS PD
PARA SIX PD TO WHOM SHOULD DELEGATES REPORT AT VIENNA
AIRFIELD PD

Copy to: Economic Section

1145

ROUTINE

COMMERCE (FOREIGN TRADE) S/C

478192

(MAJ. S.K.I. SAUL)

G.J. LEONE
CWO, USA
Asst. Adjutant

C.C.

CONFIDENTIAL.

HEADQUARTERS ALLIED COMMISSION
APO 394
Office of the Executive Commissioner

DEC 17 RECD

Ref: 511/EC.

15 Dec 1945.

A meeting was held in the Office of the Regional Commissioner, LOMBARDIA Region, on Tuesday, 11 Dec 1945. The following were present:

Brigadier M.S. Lush (in the chair)	-	Executive Commissioner
Mr. H. Hopkinson	-	Polad (B)
Mr. R.H. MacBride	-	Polad (A)
Mr. H. Cleveland	-	A/VP, Economic Section
Brigadier J.K. Dunlop	-	RC, Venezie Region
Colonel E.R. McPhee	-	RC, Piemonte Region
Colonel A.N. Hancock	-	RC, Lombardia Region
Colonel W.R. Jordan	-	RC, Liguria Region
Colonel W.A. Falck	-	Deputy RC, Lombardia Region
Lt.Col. W. Turner Coles	-	Deputy RC, Piemonte Region
Lt.Col. T.W.J. Walters	-	AC IO Bologna.

The Executive Commissioner opened the meeting by giving a general review of the position. The approximate date of the hand-over was announced and various details concerning this were discussed. The gradual closing down of some of the Sub-Commissions of Allied Commission was also brought to the notice of the Regional Commissioners, and then the following matters were raised:

1. Withdrawal of Troops from the Franco-Italian Frontier. The reasons for the withdrawal of British troops from a radius of 15 miles of the frontier were understood to be shortage of personnel and inadequate winter quarters. No political issues were involved. No trouble was foreseen when the troops were entirely withdrawn and no reinforcement of the existing Italian CC.RR, GG.FF and Public Safety agents was thought necessary, especially as this might be interpreted by the French as an aggressive act on the part of the Italians. However, a stricter frontier control was thought advisable as a great deal of smuggling took place in the border provinces. In Liguria it was thought that trouble might occur after the total withdrawal of all troops from Italy, but not before. The French Liaison Officer at CUNEO was considered to be a focal point of any disturbances which might arise and the Ex Com said he would raise this matter with GOC 2 District when he had a conference with him the next day.

2. Frontier Control. AFHQ has rescinded control of the frontiers by their letter AG322/19 GBI-C of 27 Nov 45. With effect from 1 Dec 45 entry into Italy became effective by means of visas from those countries with which Italy has established diplomatic relations. It was thought that agencies of the Italian Government should be set up to control traffic through the Brenner Pass (which had not been mentioned in the above-quoted letter) and the Executive Commissioner said he would take up this matter with AFHQ. It was agreed that the elaborate visa and permit system was not necessary in all cases and that international restrictions need not be applied where local crossings of the frontier were involved.

3. Directives to Liaison Officers. It was agreed that the directive issued to

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Brigadier E.S. Bush (in the chair)	-	
Mr. H. Hopkinson	-	Polad (B)
Mr. R.H. MacBride	-	Polad (A)
Mr. H. Cleveland	-	A/VP, Economic Section
Brigadier J.K. Dunlop	-	RC, Venezia Region
Colonel E.R. McPhee	-	RC, Piemonte Region
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3. Directives to Liaison Officers. It was agreed that the directive issued to Liaison Officers on 24 Sep 45 should not be altered. A separate directive should be drawn up for Liaison Officers of the Economic Group who had functions as executive officers which AC LO's did not enjoy.

4. AAI Directive to Military Commanders. It was decided that the directive issued by AAI on 15 Mar 44 (AAI/3604/A/O) on the relationship between military commanders and AC LO's needed revision. Draft revised version would be submitted to AFHQ.

It was also recommended that a directive should be issued by the Italian Government to all Prefects on their relations with AC LO's. This should include a copy of the directive issued to LO's and Military Commanders. The Prefects

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should also be told of their reciprocal obligations to help LO's to accomplish their missions, in accordance with the general agreement between the Allied Commission and the Italian Government. They should also be reminded that LO's were not channels between Italian officials and the Italian Government.

5. Establishment of Liaison Groups. It was decided that Liaison Groups should consist of the following:

SICILY	-	2	officers	
BARI	-	1	"	
NAPLES	-	2	"	plus 2 Public Safety Officers
EMILIA	-	2	"	" 2 " " "
LIGURIA	-	2	"	" 3 " " "
PIEMONTE	-	3	"	" 4 " " "
LOMBARDIA	-	2	"	" 3 " " "
VENEZIE	-	3	"	" 2 " " "
BOLZANO	-	4	"	" 2 " " "
LIVORNO	-	1	"	
FLORENCE	-	1	"	

It was suggested that a LO be established for FLORENCE area. It was stressed that the rank of these LO's should be kept as high as possible and not downgraded, as it was extremely difficult for them to deal with high-ranking Italian officials if they were of low rank. LO's should be in separate buildings from the military formation and should keep in close touch with the Allied Consuls, and a copy of the monthly report should be forwarded to the Consuls to keep them informed of what was being sent back to the Allied Commission. A list of the LO's would be drawn up as soon as possible. Emphasis was laid on the necessity for maintaining US-UK parity. But it was acknowledged that this would not be possible in so far as Public Safety Officers were concerned.

6. Transport. It was recommended that wherever possible British transport should be used owing to the difficulty of carrying out running repairs on American cars.

7. Closing of Regions and Archives. It was agreed that a nucleus of staff should be kept for about a fortnight after any Region had been closed down to wind up outstanding matters which had involved that Region.

8. Electoral Lists. Memo from CA Sec AC/45/15/2/LG of 5 Dec 45 was read out and a copy given to each Regional Commissioner. All RC's said that the preliminary lists were ready and merely needed the approval of the "Casellario" before being drawn up in final form. The "Casellario", however, was the "bottleneck".

9. Economic Group. Satisfactory progress was reported and no outstanding points raised.

For the Chief Commissioner:

Brigadier,
Executive Commissioner.

BS/JG.

DISTRIBUTION: Chief Commissioner
RC, Liguria Region
RC, Venezie Region
RC, Lombardia Region

COPY

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[illegible]	-	2	"	"	2	"	"	"	
EMILIA	-	2	"	"	3	"	"	"	
LIGURIA	-	2	"	"	4	"	"	"	
PIEMONTE	-	3	"	"	3	"	"	"	
LOMBARDIA	-	2	"	"	2	"	"	"	
VENEZIE	-	3	"	"	2	"	"	"	
BOLZANO	-	4	"						
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FLORENCE	-	1	"						

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DISTRIBUTION: Chief Commissioner
RC, Liguria Region
RC, Venezia Region
RC, Lombardia Region
RC, Piemonte Region
SCAC, AMG XIII Corps
AC LO BOLOGNA
Econ Sec (3)
CA Sec (3)
Polad (A)
Polad (B)
File
Float

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Chief Commissioner

DEC 11 REC'D

OUTGOING MESSAGE

TO : TROOPERS RPTD AGWAR FOR CCS FOR CCAC FOR CLAC RPTD AFHQ FOR FHGEG

REF. No: 9197 DATE: 11 DECEMBER 1945 PRECEDENCE : ROUTINE

CONFIDENTIAL

THIS IS TAP ONE SIX FOUR

SUBJECT IS ROSIN WORKING GROUP PD

PAREN TO TROOPERS RPTD AGWAR FOR CCS FOR CCAC FOR CLAC RPTD AFHQ FOR FHGEG FROM HQ ALCOM PAREN

PARA ONE PD PAT CHE SEVEN FOUR PARA THREE REFERS PD

PARA TWO PD ITALIAN GOVERNMENT WISH TO JOIN ROSIN WORKING GROUP AND HAVE NOTIFIED ITALIAN EMBASSY IN LONDON THAT SIGNORELLI WILL BE ITALIAN REPRESENTATIVE.

DISTRIBUTION:

ACTION DIRECTION : Econ Sec 18
(CSC (6)
(Supply Group
(Program Br.
(Requisition Br. 10

INFO : Chief Commissioner
Exec Comm 2
OC Br Emb
CA WS Emb
WSA Rome

ADVANCE COPIES TO: Commerce SC 2
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Food Agric SC 2
Ind Utilities SC 2
Coal Div 1
Tn SC 2

Office of Origin : COMMERCE F.T. S/C

Tel. No: 47892

Originator's Signature: (MAJ. S.K.I. SAUL)

Authenticated:

J.G. LEONE
CWO, USA
Asst Adjutant

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

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Office of Origin : COMMERCE F.T. S/C

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CWO, USA
Asst Adjutant

Originator's Signature: (MAJ. S.K.I. SAUL)

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DEC 7 REC'D

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

5 December 1945

MINUTES OF MEETING HELD 29 NOVEMBER 1945

1946 PROGRAM OF ITALIAN IMPORTS

Record of a Meeting held 29 November 1945

Present :

Mr. Harlan Cleveland	- Acting Vice President, Economic Section
Mr. Bruno Luzzatto	- Director, Commerce (Foreign Trade) S/C
Col. Tooby	- Chief, Supply Group
Col. Walton	
Mr. Rempert	
Dr. Consolo	
Ministro Gronchi	- Ministero Industria e Commercio
Ministro Gullo	- Ministero dell'Agricultura
Sig. Rossi Ernesto	- Sottosegretario alla Ricostruzione
Avv. Storoni	- Sottosegretario al Commercio
Dott. Antonio Priolo	- Sottosegretario Ministero dei Trasporti
Dott. Aldo Bozzi	- Segretario Generale C.I.R.
Sig. Luigi Gerbella	- Direttore Generale dell'Industria
Sig. Mario Di Raimondo	- Direttore Generale Ferrovie dello Stato
Dott. Enrico Mellini	- Ispettore Superiore Tecnico, Ministero dei Trasporti
Col. Bordoli	- Colonnello Genio Navale - Capo Ufficio Tecnico
Sig. Giuseppe Ferlesch	- Ministero Industria e Commercio
Comm. Erasmo Caravale	- Ministero Industria e Commercio
Sig. Luciolli	- Ministero Affari Esteri
Sig. Vincenzo Marcolini	- Ministero del Tesoro
Cons. Giulio Palmieri	- Consigliere Amministrazione Ferrovie dello Stato
Prof. P. Saraceno	- Ministero Industria - Capo Servizio Tecnico
Gen. Luigi Saracino	- Ministero Ricostruzione
Dott. Fausto Sandri	- Ministero Riconstruzione
Sig. Marco Visentini	- Ministero dei Lavori Pubblici
Dott. Savini	- Ministero Ricostruzione
Sig. Guido De Marzio	- Ministero dell'Alimentazione
Sig. Dino Vampa	- Ministero dell'Alimentazione
Conte O. Caracciolo	- Economic Section Staff

11+3

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Comm. Erasmo Garavale	- Ministero Industria e Commercio
Sig. Luciolli	- Ministero Affari Esteri
Sig. Vincenzo Marcolini	- Ministero del Tesoro
Cons. Giulio Palmieri	- Consigliere Amministrazione Ferrovie dello Stato
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Sig. Guido De Marzio	- Ministero dell'Alimentazione
Sig. Dino Vampa	- Ministero dell'Alimentazione
Conte O. Caracciolo	- Economic Section Staff

1142

(This is a transcript of those statements in the meeting which were either made in English or translated from Italian into English. The remarks in Italian are reproduced in the third person, as they are actually a transcript of statements of the interpreter).

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Mr. Cleveland presided :

MR. CLEVELAND :

Would you welcome these gentlemen to my office and say that if I had known there were as many as this, I would have volunteered to come over and sit in theirs. Express my regrets that I have to continue to make speeches in English. If they let me stay in this country long enough, perhaps I'll learn to make speeches in Italian.

What I thought we ought to discuss together - the Economic Section and the Sub-Commissions concerned here and the representatives of the appropriate Italian Ministries - was where we stand on the 1946 program and where we go from here on that program. I'd like to just re-state my understanding of the present position in which we find ourselves on the 1946 program and we can then discuss what steps need to be taken thereafter.

The 1946 program, as far as its effect on Washington and London is concerned, has now gone through three stages. The first stage is a draft that was originally prepared by FEA in Washington, primarily prepared by and under the supervision of Mr. Luzzatto, who is here with us today. At the same time, and in effect as part of this same phase, there was being prepared in Italy, both by the Italian Government and by the groups under it for the Italian Industrial Council in Milan, a quite detailed plan of importations, both over-all and in very specific terms, for the industrial import requirements of Italy. I would like to emphasize too that while these two works were going on on two different sides of the Atlantic Ocean, the work that was being done in Washington was based in very large part on the first drafts of the Italian Government importation plans which were being produced and which were reaching us through the American Embassy, through Saccrdoti, and through other channels even before they were officially adopted.

The second phase began about a month ago when Mr. Luzzatto and I arrived in Italy and, with the participation of a number of the people in the Allied Commission, an effort was made here in Rome to produce a revision of the 1946 plan, which had originally been drafted in Washington based on work which had gone on in Rome and Milan. That, in turn, was based on the latest draft available in Rome, a month ago, of the same over-all plan and the "piano di massima" for the industrial side as of about a month ago. So that a first revision of the original draft was prepared here in AC and that revision was given as soon as it was completed, still in draft form, to the Minister of Reconstruction for fanning out to the appropriate Ministries of the Italian Government.

As far as we were concerned, then, the third phase of this preparation of the plan, which we want eventually to get in final form to be submitted to Washington for action, began when Col. Tooby, Mr. Luzzatto and Dr. Consolo went to Milan to meet with the CIAI group and with the various Comitati under the CIAI, in an effort to refine the work that had been done on the 1946 plan to date.

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This third phase has now been completed and we have now, specifically, I believe, Mr. Luzzatto and Dr. Consolo have, before them in draft form yet another, the second revision of the original draft and I would like to emphasize that this is still in draft form.

I'd like to say a word about the thinking that lies behind the way in which the drafts that have been prepared so far have been organized. We are anxious to make this 1946 program, in cooperation with the Italian Government, as practical a program as possible in terms of the financial possibilities. For that purpose we have made a distinction between the three levels of the plan. The lowest level is the amount which would come in on an UNRRA basis through UNRRA channels, assuming that UNRRA has available to it the amount of money which has been projected of 450 million dollars, not in dollars but in all types of foreign exchange. (I'd like to emphasize in that connection that the availability of that money is by no means certain and should not be taken as definite until it is definite, but that we have been using that amount of money and been using the UNRRA designation for planning purposes in order to put ourselves in a position where, if the money is made available by the U.S. Congress and the Parliaments of the other major supplying countries, we would be in a position to act immediately to spend a part of the available money for supplies to continue the flow - continue and increase the supply of essential goods, subsistence and raw materials, to Italy.)

The second level of supply might be termed the total essential requirements. Our assumption has been, and I think this has been the general assumption of everybody who worked on this plan, that 450 million dollars is not sufficient to meet the total essential requirements of the Italian economy, and we have therefore tried in these various meetings to arrive at suggested figures in each category which we feel represent the essential requirements. Those "essential" requirements are to be distinguished from the third category, which is the maximum possibility of production in the country, and it is that third level of supply - the capacity production type of thinking - which is represented by the actual "piano di massima" on the industrial side and the Italian Government importation plan for the other commodities. Minister Gronchi raised the point of who had prepared the various plans; said they had not been consulted and that there were certain political implications, etc.

MR. CLEVELAND :

This should be one of the points in the subsequent discussion this afternoon. What we have done in effect has been to take this total plan, which is a capacity plan and screen it (I am not sure that there is a word in Italian for "screen") and screenthat program in terms of what we think from our view of the Italian economy is a very essential requirement for which some means of financing must surely be found during 1946. So that we have now three sets of figures. We have the total plan; we have a screening of that plan, primarily by the Allied Commission, but in detailed consultation with a considerable number of

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I would now like to make a suggestion as to where we go from here. The suggestion would be that we take the next two weeks and devote them to a detailed review of these sets of figures and particularly of the UNRRA set of figures for which the money is, shall we say, more probable than any other visible source of funds. I don't think that we need necessarily feel that the total figures as set out by the Italian Government in these two excellent publications here and the figures that we have arrived at as the total essential requirements need agree. Those may never be brought together because there are always certain difficulties in the criteria, naturally, between our Governments and the Italian Government, which may limit the possibility of agreement on those two. It seems to me, however, that the important set of figures on which we should agree is the UNRRA set of figures, which is urgent and on which we should need to have a definite firm plan to put up to the Washington UNRRA authorities within the next couple or three weeks.

Before we discuss the suggested procedure as to where we go from here, I would like to ask if my understanding of our present status that there are, in fact, these three sets of figures and their relationship to one another is clearly and accurately understood by the representatives of the Italian Government. It may be that Minister Cronchi or others would like to speak on that.

MINISTER GRONCHI :

Minister Gronchi is of the opinion that these three phases should not be so distinct because if he knows that he will receive no further credits beyond the UNRRA appropriation, naturally the formulation of the UNRRA plan will be very different to what it would be if he knows there will be credits beyond that.

AVVOCATO ROSSI :

Mr. Rossi wishes to state that he cannot understand the distinction into three different levels because UNRRA is a financial level whereas the other two are an economic level, which are not based on any financial basis.

LT. COL. TOOBY :

There is a certain amount of discussion going on which might be avoided among our Italian friends if you were to quote to them the total of the present revised plan. I think they have no idea at the moment as to whereabouts between their own figure and 450 million dollars this corrected figure comes. I think it might be useful to give it to them.

MINISTER GRONCHI :

Minister Gronchi was stating that the Italian plan contains the requirements of total imports, including what is necessary to promote exports. Therefore, he considers that if the over-all plan requires an importation for the value of 1 billion 200 million dollars, out of this 275 million dollars would be re-exported in manufactured goods.

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11:0

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LT. COL. TOOBY :

Do they agree that it will bring up their production to a maximum of their 1946 capacity, even if it is only 75% of pre-war production ?

(General agreement)

MINISTER GRONCHI :
The limiting factor is transport. The reactivation is 75%. The possibilities are more than 75% but they cannot reactivate more than that owing to the limiting factors, principally transport.

MR. CLEVELAND :

What is their reaction to the suggestion that we concentrate during the next two weeks on getting an agreed column of UNRRA figures that adds up to 450 million dollars ?

MINISTER GRONCHI :

Yes. Are they to consider that the other credits are not available ?

MR. CLEVELAND :

No, but they are to consider that they don't know about the other credits yet, and it is important to use the money as soon as it becomes available on the UNRR. basis; important to have a plan that is in the hands of the procurement authorities at an early date.

MINISTER GRONCHI :

They would therefore prefer that this UNRRA program should be drafted in sections. For example, the first two months of '46 because perhaps by the end of the first two months of '46 they will know if other credits are available, in what measure, under what conditions, and eventually if other countries beyond the United States are disposed to make credits to the Italian Government or not.

AVV. MONTINI :

Avv. Montini, of the UNRRA delegation, would like to state that the UNRRA money is a credit, but it is conditioned to the UNRRA policy, which is a welfare basis.

MR. CLEVELAND :

Is that how he said that, "welfare basis?"

MR. CARACCIOLO :

1139

Yes, welfare program.

MR. CLEVELAND :

[illegible] ought to get clear what UNRRA means. UNRRA at present is

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Is that how he said that, "welfare basis?"

MR. CARACCIOLO :

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Yes, welfare program.

MR. CLEVELAND :

Then we ought to get clear what UNRRA means. UNRRA at present is operating a welfare program, the program for feeding children and mothers, for certain limited forms of medical assistance, and for the assistance to displaced persons.

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AVV. MONTINI :

He wishes to state that also the 450 million will be a condition to their policy; it will not just be a credit put at their disposal, such as the Export Import Bank could do.

MR. CLEVELAND :

That is true, but I think that the UNRRA program during 1946 should be looked at in a sense as a continuation of the FEA-100-million-dollar-program - that type of supplies rather than an enlargement of their present welfare program. One other thing about Avvocato Montini's statement. I think it represents a misunderstanding if there is the thought that credits available through, for example, Export Import Bank would simply be spent by the Italian Government in any way that the Italian Government wishes. There are strings attached to such credits also, though different types of strings from UNRRA.

MINISTER GRONCHI :

He takes notice of what you said regarding eventual conditions and strings attached to credits through the Export Import Bank that are of a very great political importance to the Government because they would limit its freedom of choice. However, without wishing to go into that matter, he states that at the present moment the problem for the Italian Government remains that of deciding as far as it can, owing to eventual limitations that UNRRA would put to the importation plan, the types and quantities of items to be supplied then for a second period, in consideration of what the UNRRA plan will be, then prepare another program to supplement it, which will depend on what is provided through UNRRA.

UNDERSECRETARY STORONI :

Undersecretary Storoni, of Foreign Trade, wishes to state that on the basis of the importation program as made by the Italian Government, and by the importation program as compiled by FEA, of which he had no knowledge up to now, he considers the Italian Government cannot take the responsibility of requesting that anything else should be imported on the UNRRA program except first necessity products - food, fuel and coal.

MR. CLEVELAND :

I think that's what we ought to devote the next week or two to doing; reviewing the draft UNRRA program in detail commodity by commodity and then the program as a whole (this UNRRA portion of the plan), and trying to secure a general agreement as to what goods should most logically be sent on an UNRRA basis. Two other things I'd like to mention on that. One is that I'm sorry that Avvocato Storoni didn't know about the plan. It was submitted to the Italian Government, the first revision, about three weeks ago. As far as the UNRRA plan is concerned, I think it should be clear that we would not be preparing during the next couple

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the condition of the Italian economy is, what supplies are available in the world, and what credits the Italian Government might be able to secure to finance certain types of additional supplies over and above the UNRRA program.

MINISTER GRONCHI :

Minister Gronchi said that what Mr. Cleveland said was exactly why he was proposing to have the UNRRA plan divided up into lots of two month or three-month periods.

MR. LUZZATTO :

Mr. Luzzatto stated that the UNRRA program was naturally to be condensed in the first months and to serve as impulse to Italian recovery. Therefore, when the UNRRA program would end at the end of 1946, Italian economy would perhaps have sufficiently recovered to find other means of credits so that it would not be necessary for the UNRRA program to go on into 1947.

MR. CLEVELAND :

With that general understanding, then, I should think it would be possible to work during the next couple of weeks in going over the individual figures. In this connection I would like to ask through what channels or what mechanism of the Italian Government the representatives of the Italian Government would like to focus on this plan and we can adopt our work with them to whatever mechanism of study and coordination they themselves wish to set up for this particular purpose.

MINISTER GRONCHI :

They consider it necessary to coordinate within the Italian Government the work of the Italian Government and once it is coordinated to bring it over to the Allied Commission. Therefore, the individual Ministers would set up figures and two officials of the Interministerial Committee and one representative of the technical Secretariat of the Ministry of Industry and Commerce would coordinate requests and once done, bring them over to the Allied Commission.

MR. CLEVELAND :

Are they suggesting that they start from scratch or from figures already drafted ?

MINISTER GRONCHI :

1137 He would like to begin by studying the UNRRA program for the three months.

MR. CLEVELAND :

I think in the first place there has been sufficient work gone into this, work

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I think in the first place there has been sufficient work gone into this, work which representatives of the Italian Government and CIAI group in the North have done, so that we should take this draft as a basis for the next two months or so.

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MINISTER GRONCHI :

On the basis of the total Italian Government plan, they have prepared the program for the first three months and that is the basis of what they would like to use for the UNRRA program.

DEP. GENERAL DE MARZIO (FOOD) :

Mr. De Marzio, of the Ministry of Food, wishes to state that although he understands the benefits that might be had from sub-dividing the UNRRA program into periods of two or three months, he wishes to state that as a representative of the Ministry of Food he considers it necessary that food should be settled once and forever for the year, not only for three months. It would create too much suspense in the Ministry not knowing what would happen after that. It interests not only the Ministry of Food but practically the whole Government, and he wishes to point out that no harm might come if some other activities should stop, but it is practically impossible that the food supply should stop. They can't afford that. Therefore he would like to have the plan for food laid down once and for all for the whole of 1946. He was stating that he agrees to the procedure by which this program would be made and wishes to point out though that as regards Food, there are so many technical data and it requires so much expert knowledge that he would like that competent members of the Ministry of Food should be consulted before arriving at a determination.

UNDERSECRETARY STORONI :

Mr. Storoni wishes to state that the importation program or draft, as made by the Italian Government, did not take into any consideration the priorities which the various items required. The first revision of the importation program also did not take into consideration the necessity of establishing priorities. He is not familiar with the second revision as compiled by Mr. Luzzatto in Milan and doesn't know if it contains a system of priority, but wishes to make the point firm that at present the problem is to establish priority, considering that they have a partial certainty of a credit of 450 million dollars and a rather vague certainty as to additional credits.

MR. CLEVELAND :

I would agree absolutely with that line of approach and I would suggest that what has been done in drafting the present UNRRA program, the present figures that add up to 450 million dollars, was to try to arrive at a judgment regarding priorities and the program as a whole, and put to goods and materials of highest priority, bearing in mind the resolutions and limitations of the UNRRA Council, to put those figures into the 450 million dollars and leave to other means of financing the materials of slightly lower priority.

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1136

MINISTER GRONCHI :

Minister Gronchi stated that if the UNRRA program was to be made for a period of three months, then the basis from which it would be extracted would be the first three months of the general importation program and the mere fact that it is already sub-divided into periods of three months means that there is already a certain priority. For the first three months the priority is already established for the importation of goods.

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MR. CLEVELAND :

I would like to make one thing clear; that we have to come out of this discussion about the UNRRA program with a twelve-month program, even though the first three months of that may be firmer or more definite than the other nine months, because the people that we'll be sending this to, which is UNRRA Headquarters in Washington and also to London, need to know -- we'll put it this way. Within the UNRRA machinery Italy will be competing with other UNRRA countries for the total availability of funds made available to UNRRA by the various contributing countries - America, Canada, the United Kingdom, etc., etc. In order to compete in that championship race, we have to put the whole 1946 story about Italy on the table at one time, even though procurement and shipping action will be started soon only with respect to the first two or three months.

DR. GERARDO DE MARZIO :

Mr. De Marzio wishes to state that he also agrees very much to your idea that the program should be on a yearly basis for its presentation to Washington and in particular because the Ministry of Food will request a certain amount of wheat, not only up to the first two quarters of 1946, but he needs it for the whole of 1946, because if by any chance he receives wheat during the first two quarters and then in the month of June, 1946, it will not be sufficient, he will need further credits for importation of wheat for the second half and if the credits have already been used up on commodities during the first half year, we would probably remain without credit and without wheat.

MR. CLEVELAND :

It is just that type of problem, I think, that needs to be discussed in detail, commodity by commodity, group by group, with the appropriate representatives of the Italian Government.

MINISTER GRONCHI :

Minister Gronchi stated that as the basis of the UNRRA program will be the 1946 importation program, they will establish certain priorities and these priorities he will take into consideration and then there will remain a balance of so many million dollars which can be used for requirements at the last moment.

MR. LUZZATTO :

I want to assure Minister Gronchi that the basis for all these revisions in Washington, later in Rome, and finally in Milan, was the Italian Government's own plan.

1135

MINISTER GRONCHI :

Minister Gronchi stated that the three-month program would have been more desirable. However, as it is a necessity, owing to the conditions in the Organization, that the program should be made on a yearly basis,

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Minister Gronchi stated that the three-month program would have been more desirable. However, as it is a necessity, owing to the conditions in the organization, that the program should be made on a yearly basis, it is then not a question of considering whether it is the best system or not. They will just have to follow it.

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MR. CLEVELAND :

Now I would like to get the answer to two questions. One is who do we give these figures to, which will represent the basis of the work for the next week or two; and secondly, what deadline can we set for a final, not a final presentation from the Italian Government to this group, but for a final agreement between the Economic Section and UNRRA, operating together, and the Italian Government. In other words, I wouldn't want it to work out so that we formally hand each other papers with long periods intervening in between. It should I think be a joint work which comes out in a maximum of two weeks where we have a draft of a plan for the 1946 UNRRA program which we can then send to London and Washington officially.

MINISTER GRONCHI :

There will be three people responsible on the Italian Government, two of the Inter-Ministerial Committee and one of the technical Under-Secretariat of the Ministry of Industry. Mr. Bozzi, the Secretary of the Inter-Ministerial Committee, General Sarracino of the Ministry of Reconstruction, and Professor Sarcano, of the Technical Secretariat of the Ministry of Industry.

MR. CLEVELAND :

Can we consider that by next Thursday at the latest the various Government administrations in the Italian Government would have had an opportunity to review these figures in detail and that we could then start a series of meetings on particular commodities or particular industrial groupings which would bring us to a finish of the whole work, typed and ready to be sent to Washington, by December 15 ?

(AGREED)

MR. CLEVELAND :

Over-all figures will be given to the designated people in the Italian Government sometime during tomorrow. There are also a number of rather detailed statements which have been gotten up, mostly statements which have been drafted by representatives of the Allied Commission during the last two or three weeks in Milan and those will also be available for these little meetings on particular industrial or other commodity groups, because we will need justifications of each of the figures. Can we agree right here that discussions will be limited to the UNRRA figures, UNRRA column, and that the question of bringing together the total Italian figures and total AC figures will be left to a later date so that doesn't get into our way in getting out this problem ?

1134 - (AGREED)

UNDERSECRETARY ROSSI :

Will the program include January loadings ?

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1134 - (AGREED)

UNDERSECRETARY ROSSI :

Will the program include January loadings ?

MR. CLEVELAND :

The thing that has already been sent to Washington, MDC 383, is the first month's program of the total UNRRA program. Therefore, the total UNRRA program is, let us say, 450 million dollars, including the cost of

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supplying and shipping the January requirements which have been already transmitted to Washington.

DIR. GENERAL DE MARZIO :

He would suggest that in the second period, when meetings will go on between coordinating group and the Allied Commission, when the subject of food is being discussed, that there should be a representative present from the Ministry of Food.

MR. CLEVELAND :

I would hope the food figures would represent the considered figures of the Ministry of Food and of the Food and Agriculture Sub-Commission of the Allied Commission, before anything else. If there is some question of cutting down, representatives of both our Sub-Commission and the relevant Ministry would be there. Are there any other questions or comments ? If not, we can adjourn.

Meeting adjourned at 4:45.

F.W. TOOBY
Lt. Colonel, R.A.
Program Coordination Branch

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Executive Commissioner
Supply Group
Program Coordination Branch
Requisition Branch
Surplus & Special Materials Branch
Captured Enemy Materials Branch
Food & Agriculture S/C
Industry & Utilities S/C
Transportation & Shipping S/C
Finance S/C
Commerce (Foreign Trade) S/C
Labor S/C
UNRRA : Mr. Sam Keeny
Dr. Paolo Contini
American Embassy, Rome
British Embassy, Rome

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FROM : Major G.M.SINCLAIR NOBLE
A/Chairman & Chief Press Officer, A.P.B.
SUBJECT : Report on A.P.B. press and radio activities for the months of Nov. & Dec.45

1132

1. GENERAL - The last A.P.B.(Central Board) meeting was held in Rome on 18 Oct.45, Since that date no meeting has been convened, since only a few isolated cases have arisen requiring decision, and these have been referred to members individually through the Director PR-AC. In all other matters there have been clear precedents and action has been taken without reference. Control during the past two months has of necessity been skeleton. With the Regional Press Officer Veneto in England on leave and the withdrawal of the Regional Press Officer Piemonte on termination of his OWI contract, the Chief Press Officer has been personally responsible, as the only Allied Officer, for Regional APB's Lombardy, Piemonte and Venezie. An AMG Officer was allocated to APB Liguria. Work has been confined to the granting of licenses by local Boards, to the control of newsprint, and to the settling of incidents involving articles to which the Allied authorities objected. All such incidents have been closed satisfactorily.

558/cc

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A large number of applications for periodicals have been received in all regions. Since flatbed paper is uncontrolled, authorisations have been automatic after vetting by Italian Press authorities, who have been working with APB in a consultative capacity.

The circulation of the daily papers have been adjusted fortnightly following the checking of numbers of copies printed, on the principle of numbers printed plus 10% for wastage.

Reference newsprint : - The technical capacity of the North Italian paper mills could triple the present production (amply covering northern authorisations even now) : it would be necessary, however, in order to attain the greater production, ./.

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to have a higher priority in electric power and coal for the mills, extra transportation facilities, and the expediting of negotiations for the importation of cellulose and other necessary raw materials. Once these facilities are available, roll news-print throughout Italy should be a free commodity rather than politically controlled.

Radio, northern Italy, has presented no problem apart from a complaint that news-commentators Radio Milan were not sufficiently objective, having a tendency towards the left. News commentaries are now being listened to the North Italy Press Commission, CLNAI.

2. REGIONS

Lombardy - Two cases arose last month of distortion of fact by "Unita'". Satisfactions rectifications and apologies were published and the editor was warned both by the Regional Commissioner and by AFB against further irresponsible articles. Behaviour has since been exemplary.

An application was made by the Rome independent daily EPOCA for permission to transfer to Milan. It was pointed out by the Lombardy Board that AFB policy has been against the publication of Rome papers in the north, and it was agreed that EPOCA gave no reason to change the policy and create a new precedent at this late stage.

Another application was made by a group of young AMG employees, headed by a lieutenant aged 24, for an independent Milan daily under the pre-Fascist title PERSEVERANCE. At first the Regional Commissioner was in favour of the application, but after the Lombardy Board had discussed the case, agreeing that the group had very little journalistic right, and no political right, to a daily, AMG agreed to a recommendation that the group be put in touch with the journalists reorganising the Italian army daily LA PATRIA as an independent (see minutes of Central AFB meeting of 18 Oct. page 4) with a view to collaboration. Discussions are now in progress between the two groups.

Present authorised circulations of Milan dailies are as follows :

NAME	Classification	Circulation
CORRIERE D'INFORMAZIONE	independent	360.000
UNITA'	comunist	198.000
CORRIERE LOMBARDO	independent	198.300
AVANTI	socialist	130.800
POPOLO	deme-christian	62.850
GAZZETTA DELLO SPORT	spert	60.000
LIBERTA'	liberal	49.870
MILANO-SERA	independent	45.750
ITALIA LIBERA	action party	38.350
OSSERVATORE	catholic	31.250
IL SOLE	economic	23.000
IL MATTINO D'ITALIA	monarchic	22.350
L'ITALIA DEL POPOLO	republican	19.450

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2. REGIONS

Lombardy - Two cases arose last month of distortion of fact by "Unita'". Satisfactions rectifications and apologies were published and the editor was warned both by the Regional Commissioner and by AFB against further irresponsible articles. Behaviour has since been exemplary.

An application was made by the Rome independent daily EPOCA for permission to transfer to Milan. It was pointed out by the Lombardy Board that AFB policy has been against the publication of Rome papers in the north, and it was agreed that EPOCA gave no reason to change the policy and create a new precedent at this late stage.

Another application was made by a group of young AMG employees, headed by a lieutenant aged 24, for an independent Milan daily under the pre-Fascist title PERSEVERANCE. At first the Regional Commissioner was in favour of the application, but after the Lombardy Board had discussed the case, agreeing that the group had very little journalistic right, and no political right, to a daily, AMG agreed to a recommendation that the group be put in touch with the journalists reorganising the Italian army daily LA PATRIA as an independent (see minutes of Central AFB meeting of 18 Oct. page 4) with a view to collaboration. Discussions are now in progress between the two groups.

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ITALIA LIBERA	action party	38.350
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IL MATTINO D'ITALIA	monarchic	22.350
L'ITALIA DEL POPOLO	republican	19.450

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Piemonte - The only major point in this region was the authorisation, by the Regional Board, of a daily paper to the Democrazia del Lavoro party. Since the party was recognised to have the right to a daily with the precedent of the Milan MATTINO D'ITALIA (see Central Board minutes 8 Oct., page 3, heading IL PROGRESS AND IL SECOLO NUOVO) it was not considered necessary to refer the Piemonte application to the Central Board. The title of the paper is not yet decided. Its circulation is 35.000.

Present authorised circulation of Turin dailies are as follows :

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NAME	Classifications	Circulations
LA NUOVA STAMPA	independent	150.000
LA GAZZETTA D'ITALIA	independent	891000
L'OPINIONE	liberal	72.000
IL POPOLO NUOVO	deme-christian	76.000
AVANTI NUOVO	socialist	72.000
UNITA'	comunist	72.000
GIUSTIZIA E LIBERTA'	action party	50.000
name not yet decided	Democrazia Lavore	35.000

Venezia - Nothing of consequence has occurred in this region. Press and radio supervision in Bolzano is still strict and AMG insists that it remain so for the duration of AMG administration
Present circulations of the daily press are as follows : -

NAME	Classification	Circulations
Venice		
IL GAZZETTINO	independent	200.000
IL GIORNALE DELLE VENEZIE	C.L.N.	35.000
Padova		
L'ORA DEL POPOLO		40.000
LIBERA TRIBUNA		10.000
Verona		
IL NUOVO ADIGE		32.000
VERONA LIBERA	liberal	25.000
Vicenza		
IL GIORNALE DI VICENZA	C.L.N.	15.000
Trento		
LIBERAZIONE NAZIONALE	C.L.N.	30.000
Bolzano		
DOLOMITEN		33.000

Liguria - Nothing of majer importance.
Genoa circulations :

NAME	Classification	Circulations
CORRIERE DEL POPOLO	independent	75.000
IL SECOLO LIBERALE	liberal	50.000
IL LAVORO NUOVO	socialist	50.000
UNITA'	comunist	50.000
IL CORRIERE	independent	40.000
L'AZIONE	action party	40.000
IL TRIBUNO DEL POPOLO	republican	35.000
IL NUOVO CITTADINO	cathelic	22.500

3. HAND-OVER FROM AFB TO ITALIAN AUTHORITIES
It is expected that AFB will close and will hand over jurisdiction to the Italian authorities with the closing of AMG in northern Italy at the end of the year. Instructions are awaited from FR-AC on method of hand-over. There should be no complication. The local Italian press commission, designated by the Italian Govt. to take over from AFB on transfer, have already been working with AFB in consultative capacity for some months and are fully cognisant with files and routine, It will only remain for Chief Press Officer and the representative of the Italian authorities to visit regional offices together.
With effect from date of hand-over approximately two weeks will be required for administration - closing and derequisitioning of offices, etc. return of

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Venice		
IL GAZZETTINO	independent	200.000
IL GIORNALE DELLE VENEZIE	C.L.N.	35.000
Padova		
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Verona		
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VERONA LIBERA	liberal	25.000
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IL CORRIERE	independent	40.000
L'AZIONE	action party	40.000
IL TRIBUNO DEL POPOLO	republican	35.000
IL NUOVO CITTADINO	cathelic	22.500

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11 [illegible]

With effect from date of hand-over approximately two weeks will be required for administration - closing and derequisitioning of offices, etc. return of equipment, disposal of files and deployment of personnel.

4. ATTITUDE OF MILITARY AUTHORITIES

G-1 and GSI 2 District called in the Chief Press Officer to discuss the press situation after hand-over. Concern was expressed by 2 District that with the closing of AMG and AFB there would be no control of press and radio. A letter is being written from 2 District to G-2-AFHQ requesting some form of protection against possible attackes in the press for the period in which Allied troops are stationed in Northern Italy.

5. FINAL MEETING OF AFB

Notification is awaited from FR-AC of date of final meeting of the Central Board.

Major.

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HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

13 November 1945

Ref: 7.16/ES

SUBJECT: Minutes of Meeting of Interministerial Committee for Reconstruction

TO : See Distribution Below

1. Attached for your information and attention are copies as indicated of the Minutes of the Meeting of the Interministerial Committee for Reconstruction and the Allied Commission held on the 6th November 1945.

HARLAN CLEVELAND
Acting Vice President

Attachment

DISTRIBUTION:
Econ. Sec. Dist. "A"
Plus
Italian Govt Interministerial Committee (10)
G-5, AFHQ (2)
Chief Commissioner
Executive Commissioner
R.C. Liguria Region
" Lombardia "
" Piemonte "
" Venezia "
SCAC, Venezia Giulia Region
American Embassy (2)
British Embassy (2)

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HEADQUARTERS, ALLIED COMMISSION
APO 394
ECONOMIC SECTION

Ref: 7.16/ES 13 November 1945

M I N U T E S

MEETING 1600 HOURS, 6 NOVEMBER 1945, GRAND HOTEL, ROME
ECONOMIC SECTION ACC/ITALIAN GOVERNMENT
INTER-MINISTERIAL COMMITTEE FOR RECONSTRUCTION

- - - - - - - -

CHAIRMAN: Mr. Harlan Cleveland
Acting Vice President
Economic Section, ACC

Present:

Representing:

a. Economic Section, ACC:
Col. Demmler, Deputy Vice President
Col. Musgrave, Director, Finance Sub-Commission
Col. Walton, Chief, Supply Group
Lt. Col. Simmons, Deputy Director, Finance Sub-Commission
Lt. Col. Tooby, Chief, Foreign Trade Division
Commerce Sub-Commission
Major Dent, Director, Commerce Sub-Commission
Major Saul, Foreign Trade Division, Commerce Sub-Commission
Mr. Goldstein, Chief Staff Officer
Mr. Lucatto, FSA
Mr. Ottino Caracciolo, Interpreter
Miss Lois Wilson, Secretary for ACC side of Committee

b. Italian Government:
Min. Ruini, Minister for Reconstruction
Min. Grandi, Minister of Industry & Commerce
Min. Ricci, Minister of the Treasury
Min. Lombardi, Minister of Transportation
Mr. Menzi, Undersecretary of State for Reconstruction
Mr. Storoni, Undersecretary of State for Commerce
Mr. Dibola, Chief of Commerce Section, Ministry of Foreign Affairs
Mr. Caiberto, Ministry of Reconstruction and
Secretary for Italian side of Committee

1128 c. British Embassy:
Sir Richard Acworthy
Mr. Sinclair

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

CHAIRMAN: Mr. Marian Cleveland
Acting Vice President
Economic Section, AFCA

President:

Representation:

a. Economic Section AFCA:
Col. Dennison, Deputy Vice President
Col. Hemphrey, Director, Finance Sub-Commission
Col. Hatton, Chief, Supply Group
Lt. Col. Hanson, Deputy Director, Finance Sub-Commission
Lt. Col. Tenny, Chief, Foreign Trade Division
Commerce Sub-Commission
Major Gent, Director, Commerce Sub-Commission
Major Seal, Foreign Trade Division, Commerce Sub-Commission
Mr. Holstein, Civil Affairs Officer
Mr. Lucatto, FBA
Mr. Ottino Cracciolo, Interpreter
Miss Lois Jackson, Secretary for AFCA side of Committee

b. Italian Government:
Min. Rubbi, Minister for Reconstruction
Min. Grenoli, Minister of Industry & Commerce
Min. Pirel, Minister of the Treasury
Min. Romita, Minister of Transportation
Mr. Rossi, Undersecretary of State for Reconstruction
Mr. Stevani, Undersecretary of State for Commerce
Mr. DiNolfo, Chief of Commerce Section, Ministry of Foreign Affairs
Mr. Galbiato, Ministry of Reconstruction and
Secretary for Italian side of Committee

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c. British Embassy:
Sir Hayward Hogworthy
Mr. Simmons

d. U.S. Embassy:
Mr. Allsworth

e. U.S. Commercial Company:
Mr. Kellon
Mr. Howe

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

HEADQUARTERS, ALLIED COMMISSION
APO 394
ECONOMIC SECTION

Ref: 7.25/ES 13 November 1945

M I N U T E S

MEETING 1860 HOURS, 6 NOVEMBER 1945, GRAND HOTEL, ROME
ECONOMIC SECTION ACC/ITALIAN GOVERNMENT
JOINT INDUSTRIAL COMMITTEE FOR RECONSTRUCTION

CHAIRMAN: Mr. Harlan Cleveland
Acting Vice President
Economic Section, ACC

Present:

Representing:

a. Economic Section ACC:
Col. Dammann, Deputy Vice President
Col. Bonnet, Director, Finance Sub-Commission
Col. Tandy, Chief, Supply Group
Lt. Col. Tiernan, Deputy Director, Fiscal Sub-Commission
Lt. Col. Robb, Chief, Foreign Trade Division
Commerce Sub-Commission
Major Gent, Director, Commerce Sub-Commission
Major Cook, Foreign Trade Division, Commerce Sub-Commission
Mr. Holstein, Chief-Staff Officer
Mr. Lusatti, FTA
Mr. Ottino Garofolo, Interpreter
Miss Lois Eubank, Secretary for ACC's side of Committee

b. Italian Government:
Hon. Rubini, Minister for Reconstruction
Hon. Grandi, Minister of Industry & Commerce
Hon. Ricci, Minister of the Treasury
Hon. Lombardi, Minister of Transportation
Mr. Rosa, Undersecretary of State for Reconstruction
Mr. Stefani, Undersecretary of State for Commerce
Mr. Dilena, Chief of Commerce Section, Ministry of Foreign Affairs
Mr. Saibante, Ministry of Reconstruction and
Secretary for Italian side of Committee

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c. British Embassy:
Sir Richard Fosgorthy

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I

The Chairman welcomed the Committee and expressed the opinion that the Committee was in a position to do a great deal during the next few New weeks. Minister Ruini in turn welcomed Mr. Cleveland back into the group. Introductions were made of all in attendance.

The agenda, an attempt to analyze the obstacles which stand in the way of the reestablishment of private trade between Italy and other countries, was called to the attention of the group. In general terms, Mr. Cleveland felt that there are no further blocks to the reestablishment of private trade so far as the US and UK are concerned as a result of developments in those countries during the last two or three months. Particular developments are:

(1) So far as the British Government is concerned, Statutory Rules and Orders have been issued which now permit subjects of the UK to trade with private citizens of Italy, still under certain export licensing control.

(2) At the same time, the US Government (as the Italian Government has been informed by the American Embassy) has adopted a policy which will very soon result in the elimination of the wartime controls over finance (the use of Italian dollars) and over the movement of commodities to and from Italy. The final steps in this process, it is presumed, will be taken very quickly. In addition, as far as exports from Italy are concerned, the US Government has already adopted the line that the position of the USCC as the sole channel for exports from Italy to the US will be discontinued as a sole channel by 1 January 1950, at the latest and that thereafter the role of the USCC would be that of an aid to particular US importers who for one reason or another were unable to represent themselves in Italy. However, it would be on a voluntary basis so far as private trade was concerned, not as a monopoly agent of a monopoly agency of the Italian Government.

Question: Will the USCC remain the sole representative of the US trade in American after the first of January?

Answer: No.

II

Since many changes have happened in the Italian Government following the same trend during this period, Minister Ruini was asked to make some such similar general statement before the obstacles listed in the agenda would be discussed.

Minister Ruini stated that he was pleased with the new policy of the US and UK. However, the abandoning of the previous policy will create certain difficulties for the Italian Government. For instance, previously, all imports were planned by the Italian Government and approved by the US Government. In order to move more easily in open trade with US and UK, more or quite and therefore new help would be necessary.

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Minister Cronchi summarized what has been done in the Italian Government up to now. The Italian Government was very much at a loss as to the policy that would be followed by the Allied Governments. In fact, the system of state monopoly was to have been condemned but they have never been told when or how, and this meeting was the first indication of any method. The policy of the Italian Government has been laid out in two decrees which have been approved by the Council of Ministers and which are now being examined by the Consulta.

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The first step was the creation of an Undersecretariat for Foreign Trade within the Ministry of Industry & Commerce specifically to implement policies of the Government and to coordinate the action of all agencies which previously took action in foreign trade matters. The responsibility of this Undersecretary is of a technical and financial nature and all the normal administrations of a monetary character are unified and coordinated by this position. The chief problem is the artificial relation between Italian and foreign values and the tremendous difference in prices between the international and the Italian home markets which would render it virtually impossible the exportation of goods and would create tremendous advantages to enrich Italian importers.

The second decree created a compensation fund which enables the Government to add an additional charge to imported goods and decrease exported quotas. The present policy of the Italian Government is to reach progressively an equilibrium between the prices.

The decree does not ask the question of the pricing of imports which would be priced from time to time. The responsibility for this rests generally with the Interministerial Committee for Reconstruction which has an overall jurisdiction of policy, but particularly with the Undersecretary for Foreign Trade. The Interministerial Committee will give the policy and the Undersecretary will take action.

III

Towards setting aside for the formal resolution of private trade between the countries concerned, discussion of methods to overcome the obstacles laid out in the agenda was resumed.

Mr. Storoni said that the studies made up to now contemplate two factors of private initiative and of the State, in particular, exports will be carried out by private initiative but only to the extent which against credits given to Italy in the US and UK. A certain margin will be left over for private initiative and little by little they hope to get these credits augmented.

Mr. Cleveland agreed that the UNRRA fund ought to be used this way because procurements must be made through the supplying Governments. However, he questioned why other funds should not be made available at least in part to private traders who import goods on the essential list. Naturally, Mr. Storoni said, the Italian Government lived in the hope that further credits would be granted, but if such credits were to cease even no private concerns, owing to the disproportionate values, the importers would gain tremendously. Whilst the rate of exchange on the free market is 1:3, and rate of exchange of some goods on the free market is 1:12 and therefore, by giving the individual some dollars and enabling him to purchase with these dollars, he might get a margin of 1:9. Since it is unfair that individuals should make so large a profit, the State should carry out import transactions. It was proposed to limit purchases by the Italian Government to nations. It was proposed that such goods be controlled inside the country

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Mr. Cleveland agreed that the CIMAS fund was to be used [illegible] because procurements must be made through the supplying Governments. However, he questioned why other funds should not be made available, at least in part to private traders who import goods on the essential list. Naturally, Mr. Sterzel said, the Italian Government lived in the hope that further credits would be granted, but if such credits were turned over to private concerns, owing to the disproportionate values, the importers would gain tremendously. Whilst the rate of exchange on the free market is 1:3, the rate of exchange of some goods in the free market is 1:12 and therefore by giving the individual some dollars and enabling him to purchase with these dollars, he might get [illegible] gain of 1:9. Since it is unfair that Italian firms should make so large a profit, the State should carry out import transactions. It was proposed to limit purchases by the Italian Government to [illegible] year, an [illegible] which would be controlled [illegible] country and the remainder of which would be transacted by private concerns until little by little the price equilibrium would be obtained.

Mr. Cleveland said that this was a point of very importance because, at least so far as the US is concerned, availability of credits will inevitably depend in some measure on the extent to which those credits will be used through private trade channels. This is an important political consideration in the US.

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Mr. Storoni felt that there was no answer to that since, naturally, the Italian Government had always thought that the giving of credits would have nothing to do with how they would be used.

Mr. Cleveland said that it appeared to him to be clear that if it were felt in the US Government that credits were to be used in a way that might perpetuate the monopoly controls that were necessary in wartime through the post-war period, it might have a considerable effect on the willingness of the US to grant the credits in the first place.

Col. Hennessy agreed that he believed that to be a reasonable assumption. The American public opinion would veer toward free trade just as fast as possible to get away from monopoly type of credit and, further, the Export-Import Bank type of credit would be based on private trade because such credits are made in effect through private banking channels.

Mr. Gronchi stated that what had been said up to that point by Mr. Storoni was merely the opinion of the Italian Government and not a policy which it had been agreed to adopt.

Mr. Cleveland asked whether it would not be possible in theory to have a control system on private trade transactions which would wipe out this differential in price between the price levels and the exchange levels of which Mr. Storoni spoke.

Col. Hennessy said that the Italian Government had already decided as a policy that it had the right to fix prices so that it already had the control.

Mr. Cleveland said that therefore this differential can be wiped out whether it is private trade or government monopoly trade. The Italian Government has already decided that up to 200 to the dollar, it will do just that and along this line it would presumably have to solve the problem, without the Government itself acting as the principal in the transaction at every stage.

IV

Mr. Lombardo summarized the discussion: "In the Italian economy to be rebuilt as a private economy, it is necessary that all branches should be able to obtain those goods which they require from an international market. It is therefore the responsibility of the Italian Government to have a free availability of foreign currency so that all factors of economic life should be able to arrive at those availabilities. The Italian Government does not have such an availability of foreign currency so that it can guarantee that factor of the economic life of a nation will be able to obtain out of those credits which is necessary for its rehabilitation. It is under consideration that such agencies may dip into the pool of general credits so economic revival can take place in all factors of the economy. However, it is probable that in the revival of foreign trade, certain agencies should have priority over others and the Government should therefore not make credits available to all. The policy which should therefore be adopted

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assumption. The American public opinion would veer towards free trade just as fast as possible to get away from monopoly type of credit and, further, the Export-Import Bank type of credit would tend to private trade because such credits are made in effect through private banking channels.

Min. Gronchi stated that it had been said up to this point by Mr. Storchi was merely the opinion of the Italian Government and not a policy which it had been agreed to adopt.

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Col. Lemnitzer said that the Italian Government had already decided as a policy that it has the right to fix prices so that it already has the control.

Mr. Cleveland said that therefore this differential can be wiped out whether it is private trade or Government monopoly trade. The Italian Government has already decided that up to 25% to the dollar, it will do just that and long this line it would presumably have to solve the problem, without the Government itself acting as the principal in the transaction at every stage.

IV

Min. Lanalfa summarized the discussion: If the Italian economy is to be rebuilt on a private economy, it is necessary that all branches should be able to obtain those goods which they require from an international market. It is therefore the responsibility of the Italian Government to have at its availability of foreign currency so that all factors of economic life should be able to arrive at these availabilities. The Italian Government does not have such an availability of foreign currency so that it can guarantee that factor of the economic life of a nation will be able to obtain out of these credits what is necessary for its rehabilitation. It is under consideration that such branch may dip into the pool of general credits so economic revival can take place in all factors of the economy. However, it is probable that in the revival of foreign trade, certain branches should have priority over others and the Government should therefore not make credits available to all. The policy which should therefore be adopted should tend towards the coordination of the availability and use of credits. For instance, in the importation of wheat, procurement by the State is absolutely necessary. It could be said that the Government could give credits for the purchase of wheat but the actual purchasing could be done through private channels. On the other hand, it must be considered that the grain cannot be imported freely by private individuals because it is still a controlled item and it is necessary to keep it on rationing. A similar argument

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can be applied to cash purchases, the importation of which is essential but which cannot be supplied merely through private credits. Therefore, there would be two separate fields-- one in which they would use the Governmental trade and another in which they would use private credits. In the Governmental credit field, there can be two sub-fields: the first, where the Governmental credit is used directly by the State which carries out these transactions through its agencies; and second, credits which are given private importers (which is really giving foreign currency to private individuals). In addition, there would be the credits used directly by private individuals which would be those which private individuals have obtained. These should be coordinated. If one branch of the economy were to develop excessively, there would be an unbalancing of the internal market and it is therefore necessary that all three of these forms of credit should be under a general form of monetary control. This is the system by which the Italian Government can develop a completely free trade, but the control must be consistent to obtain a harmonious development.

Minister Ruini said that what had been said up to now did not necessarily represent the final opinion of the Italian policy (it is merely a procedure which is necessary to follow at the moment) and that eventually they certainly do want to establish free trade. These controls are acknowledged by the US note verbale. By no means does the Italian Government not want the reestablishment of private trade.

Mr. Cleveland said that the policy statement made by Min. Ruini and the analysis by Min. Labalte ties up with the policy of the US and UK. The first remarks by Mr. Stewart were misunderstood a little . . . . The problem is now that of the Ministry for putting the program into effect.

Min. Labalte repeated the point of policy that there were really three different types of import transactions, namely, (1) State credits which would be used directly by the Government (2) Italian Government credits which would be given for use by private individuals and (3) individual private credits obtained by private individuals which are by private individuals to use. He wished to make this point so that these three different types credits could be agreed upon.

Col. Newsance said that the mobilization of credits idea is not exactly in accord with what actually happens. All of the credit abroad is available in one pool under Government control. The Government then determines who shall have Government exchange -- it is not determined by the origin. If it is obtained by a private party, it still is in the same Government-controlled pool. (Mr. Cleveland added that these credits are however not infinitely interchangeable. If it were given for the purpose of cotton, it would not be available for wheat.)

Sir Richard Nosworthy said that a Ministry for the purpose of mobilizing foreign credits was in existence in Italy before the war.

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[illegible] to have such a Ministry, the Government can

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transactions through the Ministry [illegible] private importers (which is really giving foreign currency to private individuals). In addition, there would be the credits used directly by private individuals which would be those which private individuals have obtained. These should be coordinated. If one branch of the economy were to develop excessively, there would be an unbalancing of the internal market and it is therefore necessary that all these forms of export should be under a general form of monetary control. This is the system by which the Italian Government can develop a completely free trade, but the control must be consistent to obtain a harmonious development.

Minister Ruini said that what had been said up to now did not necessarily represent the final opinion of the Italian policy (it is merely a procedure which is necessary to follow at the moment) but that eventually they certainly do want to establish free trade. These controls are acknowledged by the US now-a-days. By no means does the Italian Government not want the restablishment of private trade.

Mr. Cleveland said that the policy statement made by Min. Ruini and the analysis by Min. Scelba lines up with the policy of the US and UK. The first remarks by Mr. Ruini were misunderstood a little . . . . The problem is now that of the Ministry for putting the program into effect.

Min. Scelba reported the point of policy that there were really three different types of imports or sanctions, namely, (1) State credits which would be used directly by the Government (2) Italian Government credits which would be given for use by private individuals and (3) individual private credits obtained by private individuals which are the private individual's to use. He wished to make this point so that these three different types credits could be arranged upon.

Col. Lemmon said that the mobilization of credits idea is not exactly in accord with what actually happens. All of the credit abroad is available in one case under Government control. The Government then determines who shall have Government exchange — it is not determined by the origin. If it is obtained by a private party, it still is in the same Government-controlled pool. (Mr. Cleveland added that these credits are however not infinitely interchangeable. If it were given for the purpose of cotton, it would not be available for wheat.)

1126 - Sir Richard Acworth said that a Ministry for the purpose of mobilizing foreign credits was in existence in Italy before the war.

Col. Lemmon said that through such a Ministry, the Government can control importation.

V

Mr. Cleveland suggested that the Committee should now go over points in the agenda (copy attached) and then ask a Sub-Committee of the group to go into specific steps which might be taken by the Allied Governments and by Italy so that the individual sides can immediately take the necessary steps that must be taken before private trade can be resumed. Following the agenda:

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1. Publication of decree setting up Undersecretariat of Foreign Trade:

This should be completed this month.

2. Exact Procedure:

Development of actual procedures and forms should be completed before it can be announced that private trade is a fact. (Mr. Storoni has already prepared a circular establishing the exact procedure by which foreign trade will be carried out. He will submit it to the Sub-Committee for approval).

2-a. It will be necessary to distinguish importations from exportations. Subject to approval by the Interministerial Committee, Mr. Storoni will make a list of commodities which will be controlled for exportation. It will be the task of the Interministerial Committee to establish a list of commodities for importation. On the basis of this list of priorities, import licenses will be granted.

2-b. To be left to the Sub-Committee. (On this, Mr. Cleveland asked what sort of a regional decentralization there would be. Mr. Storoni answered that the channels would be the Provincial Chambers of Commerce. Applications would be forwarded to the Ministry of Industry & Commerce for approval. Mr. Cleveland asked if the applications would all have to come to Bona and Mr. Storoni replied that they would but naturally the Chambers of Commerce would first screen them.

2-c. To be taken up by the Sub-Committee.

2-d. It would be the task of the Ministry to decide on the basis for granting priorities and making allocations. For instance, the Ministry would establish the quantity of copper which would have to be imported. The Ministry would have to screen the requests submitted in applications and eliminate those which would be beyond the amount of the copper needed. This screening by the central office can only be done following the recommendation and opinion of Provincial Chambers of Commerce.

2-e. To be taken up by the Sub Committee.

3. Customs Control:

Mr. Storoni said that on the 30th of October, he presented a memorandum in which he asked that customs control be reestablished. Private trade through a system of licensing cannot exist unless customs exist since it is useless that a license should be granted unless there is someone to control it. Mr. Cleveland said that the memorandum doesn't specify what the problems are, port by port, but that AC will take whatever steps are necessary to send instructions to co-operate with Allied authorities at

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Development of normal procedures can come shortly before it can be announced that private trade is a fact. (Mr. Storoni has already prepared a circular establishing the exact procedure by which foreign trade will be carried out. He will submit it to the Sub-Committee for approval).

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2-e. To be taken up by the Sub-Committee.

3. Customs Control:

Mr. Storoni said that on the 20th of October, he presented a memorandum in which he asked that customs control be reestablished. Private trade through a system of licensing cannot exist unless customs exist since it is useless that a license should be granted unless there is someone to control it. Mr. Cleveland said that the memorandum doesn't specify what the problems are, port by port, but that AC will take whatever steps are necessary to send instructions to or negotiate with Allied Authorities at the ports and if necessary AC officers would go to the ports for this purpose. This will be handled by the Sub-Committee.

Mr. Storoni raised the question: When an Italian exporter exports his goods to the US, is the credit immediately available and where? Mr. Cleveland told him that it was to be in a New York bank, credited to the Banca d'Italia.

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4. Shipping:

Mr. Storoni asked for further explanation on the point of US and UK shipping to Italy. Mr. Cleveland said that under the procedure of the United Maritime Authority, programs of imports which involved ocean shipping are to be fixed in London. This will probably not last long because UMA will go out of business.

Mr. Berendt said that it was clear about shipping from Italy to UK and US. He read an excerpt from a directive:

"Specific directions will prove to be issued . . ."

and then asked, "Does this mean they should refer directly to Washington?" Major Saul replied that at present that is the position; but it would change when UMA is dissolved.

5. Exchange Control:
6. Special C Sub:

Mr. Storoni said he is quite ready to give all the details on these subjects but it might be better to give them to the Sub-Committee. In effect, these matters would be handled the same as before the war.

Mr. Cleveland asked if sufficient personnel were available for the licensing job which is centralized in Mr. Storoni's responsibility. He realized there was a huge problem this is because he has seen the same thing in the US. Mr. Storoni said that trade will not be run through ICE which is notoriously understaffed. Since the job will now be under the Undersecretary of Foreign Trade, the manpower is available. They will utilize the personnel of the Corporations Ministry which was in existence before the war.

VI

This finishes the list also to private trading which appear to require action by the Italian Government. With respect to Allied obstacles, they are stated as briefly as possible.

1. Reserved Commodity List.

Mr. Cleveland pointed out that: (1) it do es not weigh any more heavily on the Italian Government than it does on any other Government in the Allied world; and (2) the RCL itself is on the way out. The Combined Board machinery which was set up for war purposes will presumably not be continued long as a peacetime control.

2. Screening of Exportable Surpluses by AC.

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Mr. Stoneni asked what it was clear about shipping from Italy to UK and US. He read an excerpt from a directive:

"Specific directions will have to be issued ... ."

and then asked, "Does this mean they should refer directly to Washington?" Major Saul replied that at present that is the regulation but it would change when UNA is dissolved.

3. Exchange Contract:)
4. Special Cases:)

Mr. Stoneni said that he is quite ready to give all the details on these subjects but is silent he better to give them to the Sub-Committee. In effect, these matters would be handled the same as before the war.

Mr. Cleveland asked if sufficient personnel were available for the licensing job when it got going in Italy. Stoneni's responsibility. He realized what a huge problem this is because he has seen the same thing in the US. Mr. Stoneni said that shipping will not be done through ICC which is notoriously understaffed. Since the job will now be under the Under-Secretary of Foreign Trade, the manpower is available. They will utilize the personnel of a large Ministry which was in existence before the war.

VI

This finished the obstacles to private trading which appear to require action by the Italian Government. With respect to Allied obstacles, they are stated as briefly as possible.

1. Reserved Commodity List.

Mr. Cleveland pointed out that: (1) it doesn't weigh any more heavily on the Italian Government than it does on any other Government in the Allied World; and (2) the RCL itself is on the way out. The Combined Board machinery which was set up for war purposes will presumably not be continued long as a peacetime control.

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2. Screening of exportable surpluses by AC.

Mr. Stoneni asked if items made from imports could be freely exported to all countries. Mr. Cleveland said, yes, but export surpluses must still be screened by Allies as outlined in Admiral Stone's letter. Major Gent added two observations in this connection: (1) Export surplus is screened by AC as to the quantity that can be exported; and (2) even if the goods are in Category A, it is decided by Washington whether or not it should be exported to the desired destination. Mr. Stoneni said that at present, then, nothing can be exported without screening. Mr. Cleveland said that that is correct but that AC would like to get out of the screening job as soon as practicable.

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VII

With regard to the Sub-Committee of this group, it was asked who would review suggestions and make recommendations as to action. It was suggested that a representative of Commerce and Finance Sub-Commissions form the Sub-Committee as far as AC is concerned and that the Embassies also participate.

The Italian Government will prepare a letter regarding its representation.

Finance Sub-Commission will have the responsibility for getting this group together.

The meeting adjourned at 2010 hours.

LOUIS HUNNISCH
Secretary

Encl
Appendix A - Agenda of Meeting

DISTRIBUTION:
Econ. Sec. Dist. "A"
Plus:
Italian Govt Intermministerial Committee (10)
G-5, AFHQ (2)
Chief Commissioner
Executive Commissioner
R.C., Liguria Region
R.C., Lombardia Region
R.C., Piemonte Region
R.C., Venezia Region
SCAO, Venezia Giulia Region
American Embassy (2)
British Embassy (2)

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Appendix "A"

OBSTACLES TO PRIVATE TRADING WHICH APPEAR TO REQUIRE ACTION BY ITALIAN GOVERNMENT

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1. Publication of decree setting up Undersecretariat of Foreign Trade.

2. Undersecretariat of Foreign Trade to elaborate and publish an order establishing which procedure by which both Government and private imports and exports are to be effected. In order to private imports and exports are to be controlled by license definite rules will need to be issued stating:

(a) The categories for which licenses are required.

(b) The criteria and eventual time limit for presentation of applications.

(c) Whether priority.

(d) The basis on which priorities will be granted and allocations made.

(e) What documentation will be required from applicant in support of his application.

3. Customs control to be re-established at all ports and frontier posts through which import and export trade is to be permitted; Italian Government to state therefore:

(a) At which ports or frontier posts customs control is not at present operative.

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(b) If such ports or frontier posts are under Allied military control, whether customs can be nevertheless established outside military control area, or, alternatively, whether such ports and posts could be excluded temporarily from use in private import/export trade.

4. Shipping

General

Under UMA procedure, the importing country is responsible for programmes which are submitted to Shipping Employment Policy Committee in London.

U.S. and U.K. to Italy

The Italian Government should include all projected imports in a programme to be handled as above.

Italy to U.K. and U.S.

In theory, the Italian exporter should arrange for the importer to include all proposed shipments in the U.S. or U.K. import programmes. This is so in the case of U.K. but for U.S., owing to the large number of ships now sailing without cargoes, application to W.S.A. ports is invariably sufficient to obtain shipping space.

Specific directions will need to be issued for the use of Italian importers and exporters; these should be such as possible avoid the use of Government channels for requests for shipping.

5. Exchange Control

Italian Government should develop and publish, in elaboration of their terse "Agreement on Payment" attached to Mr's letter of 27 October, the precise documentation and step-by-step procedure by which the exchange control will operate.

6. Special Cases

Temporary imports and private compensation arrangements can presumably be licensed through the normal procedure, except that, in the case of temporary imports entailing the subsequent export of a commodity which is not normally permitted to be exported, or a special export license would have to be issued at the same time as the import license.

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(b) Whether ports or airfields remain under Allied military control, whether customs can be nevertheless established outside military control area, or, alternatively, whether such ports and posts could be excluded temporarily from use in private import/export trade.

4. Shipping

General

Under UNRRA procedure, the importing country is responsible for programmes which are submitted to Shipping Employment Policy Committee in London.

U.S. and U.K. to Italy

The Italian Government should include all projected imports in a programme to be handled as above.

Italy to U.K. and U.S.

In theory, the Italian exporter should arrange for the importer to include all proposed shipments in the U.S. or U.K. import programmes. This is so in the case of U.K. but for U.S., owing to the large number of ships now sailing without cargoes, application to W.S.A. Naples is invariably sufficient to obtain shipping space.

Specific directions will need to be issued for the use of Italian importers and exporters; these should as much as possible avoid the use of Government channels for requests for shipping.

5. Exchange Control

Italian Government should develop and publish, in elaboration of their memo "Agreements on Payment" attached to P.'s letter of 27 October, the precise documentation and step-by-step procedure by which the exchange control will operate.

6. Special Cases

Temporary imports and private compensation arrangements can reasonably be licensed through the normal procedure, except that, in the case of temporary imports entailing the subsequent export of a commodity which is not normally permitted to be exported, or a special export license would have to be issued at the same time as the import license.

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OBSTACLES TO PRIVATE TRADING WHICH APPEAR TO REQUIRE ACTION BY ITALIAN AUTHORITIES

(1) Reserved Commodity List (Category A exports)

The R.C.L. system applies to the whole Allied world and the Italian Government will, presumably, wish to accept the relatively minor limitations involved without special consideration. Moreover, the latest revisions of the list communicated to the Italian Government on the 18 and 30 October make very substantial reductions to the number of R.C.L. commodities. Allied action will be directed towards rapid elimination of the remaining reserved commodities, as the supply situation permits.

(2) Screening of exportable surpluses by AC

Screening is made for two reasons:

(a) to avoid re-exportation of goods imported under the relief program;

(b) to ensure that Allied military requirements in this theatre of any surplus foodstuffs are met before the balance is exported.

It is suggested that (a) might become a purely Italian Government responsibility after the relief and rehabilitation program is undertaken by UNRRA. As to the reduction of military personnel in this theatre, (b) is rapidly losing the little restrictive effect it ever had.

(3) Licensing systems in U.S. and U.K.

US Treasury license is required for the use of post-liberation dollar credits in the US. In addition, both import and export private transactions must pass through the US and UK licensing systems in the case of commodities which are still subject to special license.

(4) Ship Use Control

(See point #4 in memo "Obstacles to Private Trading which appear to require action by Italian Government")

(5) Military Control of Ports and Frontier Posts

AC is prepared to give all assistance in specific problems by interceding with the Allied military authorities after Italian Government has assembled the information outlined in item 3 of "Italian Government Obstacles".

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(6) Insurance

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will be directed towards rapid elimination of the remaining reserved commodities, as the supply situation permits.

(2) Screening of export bids surpluses by AC

Screening is done for two reasons:

(a) to avoid re-export trade of goods imported under the relief program;

(b) to ensure that Allied military requirements in this theatre of any surplus foodstuffs are met before the balance is exported.

It is suggested that (a) might become a purely Italian Government responsibility after the relief and rehabilitation program is undertaken by UNRRA. With the reduction of military personnel in this theatre, (b) is rapidly losing the little restrictive effect it ever had.

(3) Licensing system in U.S. and U.K.

US Treasury license is required for the use of post-liberation dollar credits in the US. In addition, both import and export trade transactions must pass through the US and UK licensing systems in the case of commodities which are still subject to special license.

(4) Shipping Control

(See point #1 in memo "Obstacles to Private Trading which appear to require action by Italian Government")

(5) Military Control of Ports and Frontier Posts

AC is prepared to give all assistance on specific problems by interceding with the Allied military authorities after Italian Government has presented the information outlined in item 3 of "Italian Government Obstacles".

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(6) Insurance

External insurance transactions, including reinsurance, are still subject to prior AC approval. Consideration is being given to modifying this restriction.

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With compliments

Dr. Miha Krek

OCT 25 RECD

Catholic Bishops' Pastoral letter issued at the meeting at Zagreb.

September 20th, 1945.

Dear faithtul in Christ!

We Catholic Bishops having met in Conference at Zagreb consider it our duty to adress you.

After the long and difficult years the war is finally over. Humanity bled as never before. Neither were we spared. War cruelties passed often over various parts of our country-and left devastation burnt out places an tears. The population of whole districts was decimated. Many families do not exist, so many children are without parents, so many mothers and women and fathers and children are afflicted. There is no one to mourn anybody. We all felt lack, hunger and diseases, those general symptoms of every war. This world war struck our country twice, i.e. by the reason of war itself and still more by reason of the bloodshed between our own brethern. This struggle which divided the members of the same family left other consequences too. War devastations were of greater extent than in any other country owing to the special circumstances of the foreign military occupation as well as owing to the internal struggles. At the end of the war we feel that we must thank the Almighty for having been spared from a continuation of the war cruelties and fraternal conflicts.

The end of the war brought great and deep changes everywhere. We see disappear all that was once the basis of the life of everyday. Our State community got another name: Democratic Federal Yugoslavia. Its legislation, the very foundation on which a State reposes, is completely new. The State itself does not desire to have anything common with the past. Authority, justice, instruction and economics are inspired by revolutionary idea.

It is not the Catholic Church's duty to prescribe to you how to solve the political, national and economic problems as long as they are in conformity with general ethical principles that bind everybody. The Catholic Church keeps in these matters to the word of Christ: Give to Ceasar what is Ceasar's and give to God what is God's (Mt 22,21).

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It is not the Catholic Church's duty to prescribe to you how to solve the political, national and economic problems as long as they are in conformity with general ethical principles that bind everybody. The Catholic Church keeps in these matters to the word of Christ: Give to Ceasar what is Ceasar's and give to God what is God's (Mt 22,21).

This principle has been exercized at all times and all over the world. The Church is interested only in the spiritual concerns of its faithful. This is the matter the Church is interested in in every stateform and in every form of economical life, chosen freely by a nation.

This care for the spiritual good of you all inspires us in this moment in which we adress you the first pastoral letter in the Democratic Federal Yugoslavia.

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Before the end of the war operations a solemn declaration of the Central Government at Belgrade was issued promising to respect the freedom of religion, the freedom of speech and private property.

The Government of Croatia too accepted this principle at the beginning of its activity, yet it was added that the conditions in the Catholic Church were not satisfactory. When we came in contact with the new authorities we endeavoured to explain to them the needs and the point of view of the Catholic Church. A new spirit namely brought by the new era in the administration of the State was in contradiction with the situation and the acquired privileges of the Church and hence it was to your disadvantage. We drew attention to those contentious points that have to be regulated by mutual agreement.

The last word in all points in which the State and the Church are interested will have to be said by the Holy Sea according to the prescriptions of the Church's law. Every now and then we informed the competent authorities of the Catholic Church's point of view in particular questions.

Against all our good will and our endeavour the circumstances took another turn. When considering the evolution of the circumstances and the situation in which the Catholic Church stands, it is our duty openly to state all the difficulties and the inconveniences that exist.

First of all we are deeply afflicted by and we deeply deplore the said and terrible destiny of so many priests. During the war already a great number of priests fell, not so much on the battlefield as by the sentences of the actual military and civilian authorities. When the war operations ceased the death sentences on catholic priests continued. According to our information there are 243 dead, 169 imprisoned and interned, 89 missing, altogether 491 priests. This schedule must be completed by 19 students of theology, 3 religious brothers and 4 sisters of Charity, who have been killed. Such a number of victims never was recorded in the history of the Balkan States. What afflicts us most is that those unfortunates as well as hundreds and hundreds of the laity were not alowed to accept the last Administrations that in no civilized country are refused to the greatest criminals. The tribunal that passed these death sentences acted quickly and summarily. In most cases the defendants did not know the charges against them until the trial. Very often they were in no possibility to defend themselves as they should have been able to do according to court rules, i.e. the right to have a lawyer or to base the evidence on witnesses.

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Every honest and impartial individual has the right to demand justice at the Court. There is no proof that those priests sentenced to death are in fact criminals deserving the death sentence. All 28 Franciscains f.i. living in the monestery at Široki brijeg were killed without any judical proceedings. No one of these monks had a rifle in

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his hands, they did not fight against the national liberation army as they were falsely charged. They were known as being firmly against any fascist ideology. Sometimes even the great majority of the people demanded the State authorities the liberation of their priests for the people themselves guaranted their innocency. It is clear that such proceedings are not exercized neither in the name of the nation nor in the name of Christian justice. It is not keeping with the christian sense of justice, which is so deeply rooted in our people, that anyone should be sentenced to death exclusively owing to his membership of some other political party without having commited any crime. The laws of justice are above all political doctrines and are the same for all times and everybody.

In the name of this eternal justice we raise our voice in the defence of the priests and of the thousands and thousands of our faithful so wrongfully sentenced.

When protecting so many falsely sentenced priests and other faithful we do not intend to cover the culprits. We admit that there were some priests who commited wrong against the Holy law of Christian justice and love and therefore deserved to be brought before the Tribunal. Yet we have to state that their number is very small. All those charges made in the daily press and at political meetings against a great part of the Catholic Clergy in Yugoslavia we must describe them as intentional attempts to mislead the public and to diminish the dignity of the Catholic Church.

There are many priests in various concentration camps or condemned to forced labour. The Greek Catholic bishop Dr. Šimrak is up till now deprived of liberty and the destiny of bishop Carević is unknown. In concentration camps not at all suitable for a long dwelling, the priests are compelled to do work which decreases their saccrdotal dignity. Sometimes they are deprived of sufficient food and bedding, often they cannot attend the Sunday Holy Mass even when it is possible, nor can they celebrate the Mass which would be of great comfort and spiritual good for themselves as well as for those imprisoned. They had further no opportunity to defend themselves by proving their innocence. Their sole fault is another political view point different from those who have condamned them. Even more, the destiny of many other priests is unknown. There is no intervention possible, they left no trace behind them.

Such a great loss of priests affects very much the spiritual life and many parishes are deprived of them. The religious life is weake-

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sense of justice, which is so deeply rooted in our people, that anyone should be sentenced to death exclusively owing to his membership of some other political party without having commited any crime. The laws of justice are above all political doctrines and are the same for all times and everybody.

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Such a great loss of priests effects very much the spiritual life and many parishes are deprived of them. The religious life is weakening and therefore the faithful are exposed to great spiritual dangers. The priests are attacked in the press and they have no possibility of defense.

The Catholic press constitutes second sad difficulty for the Catholic Church.

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No one of the 100 Catholic publications that appeared before the war are issued now. When the permission was asked for their reappearance all possible reasons were given to refuse their issue. One of the reasons was the shortage of paper. Actually from the archbishop's palace at Zagreb some tons of paper which had been in store for the catholic press were taken away.

The Catholic printing presses are for a great part closed. The menager of the national printing press at Zagreb was condemned to privation of his national honour and the printing press, although not his property was confiscated. Some days ago only the printing press was returned because of our protest. The great printing press of Catholic Press' Society at Ljubljana was confiscated too. The same destiny have been shared by the printing presses at Mostar, Šibenik, Maribor and Sarajevo. This confiscation of the Catholic Print is systematically planned and no liberty of catholic print is possible in such circumstances.

The situation of the Catholic schools and seminaries is not better. They were built by the Church at the cost of great sacrifices and have been maintained with still greater efforts. Hundreds and thousands of our best children of every class of population have been educated in them, so many laic persons of all professions were in their schools. Today the schools and seminaries practically cannot fulfill their task. In spite of the end of the war the schools are in part occupied by military and in part confiscated as f.i. at Zagreb, Split, Travnik, St. Vid, Ljubljana. Maribor, Senj.

The Catholic Church received a series of blows on the educational field. First the question of instruction in religion. In all schools the religious instruction is proclaimed as non obligatory. We state with pride and affirmation that catholic parents voted unanimously for religious instruction when asked. In Croatia the religious mark on the annual school certificates is put on the last place as being the least important. Moreover religious instruction is reduced to one hour weekly. In Croatia the upper classes of the secondary schools have no religion instruction at all. Such treatment was explained to be in conformity with the principle of freedom of conscience. This principle was differently used in lower and differently in upper classes of secondary schools. The freedom of conscience must be the same in all colleges. Thus we have the anomaly that the boys of upper classes who have the right to vote are not allowed to decide upon the giving of the religious instruction while parents

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We think to draw your attention on this occasion to the fact that not only the children but their parents too have the right to decide upon whether the instruction in religion should be granted or not. Thus was decided by the National Liberation Committee of Yugoslavia, Instruction section, at Belgrad in february 1945. The practice which iscontrary to this decision is then, consequently, not in

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conformity with the above mentioned decree.

Catholic Church maintained many private secondary schools having the same right and privileges as the respective State schools. In the pre-war Yugoslavia these schools were recognized as excellent schools, by both state inspectors and parents who confided the education of their children to them. The results in these schools were always the best. Therefore they were frequented not only by Catholic children but by children of other believes too. These schools were on the same legal level before the State. They are now going to be closed. Real democracy demands that the will of parents as to the education of their children be respected so much the more as the Catholic Church also has the right to found the schools. This right is acknowledged by all civilized countries, which have to be grateful to the Church as it is helping the state in the education of the children and carrying in part the burden of maintaining them.

Besides the private schools the Catholic Church possessed a greater number of boarding Colleges for children and secondery schools for workers' children as well as Kindergarten for small boys and girls. These institutions are now in the great majority closed or put under the trusteeship of a state Commissioner. These institutions are often the object of untrue incriminations and filth cartoons brought out in articles of some newspapers, that are not signed.

In these papers the religious education in the Catholic schools ia presented as being medieval and gloomy. How could one present the real truth about various cases without a catholic press. Consequently the colleges enjoy no possibility of selfdefense. Still more, the state commissionars are openly and secretly endeavouring to frustrate the activity of the catholic educators. Freedom of conscience and freedom of religion remain an empty word unless the anticatholic attitude is to be justified.

Our youth is exposed to new moral dangers owing to the balls that last late in to the night, often until dawn, without any control of parents. Nobody is authorized to deny this great danger for the ethical education of our youth. The consequences of such dangers have been in later years so often deplored by many young men and still more by young girls. The greatest anxiety is the fact that the parents dare not oppose their own children.

The fulfillment of sunday's religious duties is often checked by meetings which are held at the time of holy mass. Moreover in some lo-

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The fulfillment of sunday's religious duties is often checked by meetings which are held at the time of holy mass. Moreover in some localities the youth is compelled to help in forced labour. The youth is thus becoming estranged from religious practice. When one adds that in some military units, in hospitals and in youth organizations the Darwin conception of man's origin is learned and spread. we see clearly the real purpose of this education. Moreover the children in secondary schools are instructed that they are not going to be taught religious "fairy tales" about man's origin. They are going to be taught on a

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scientific way in this matter.

Christian marriage has been deprived of its sacredness by the introduction of Civil marriage, not legally but practically. Matrimony was regarded by our ancestors, educated in Christian religion as a sacrament that has to be contracted in the Church. The civil marriage will not enjoy the same firmness which it would have enjoy if contracted in the Church. Still more the civil authorities dissolve the marriages contracted in the Church, without the knowledge of the catholic authorities, in clear opposition to the Divine Law. In the last months the number of dissolved marriages at Zagreb was very great. The bad consequences for family life, this fundamental element for all progress and prosperity both of the nation and of the state are clearly visible to our eyes. We dare not think of so many children who would be deprived of their greatest happiness in childhood, which is a happy family.

Great obstacles are put in the way of the welfare work of the Catholic Church. The great activity of archiepiscopal Charity organization at Zagreb is well known. Seven thousands children were helped and thus saved without regard to what religion they belong. Our brethren in famine districts and in concentration camps received large quantities of food. Thus thousands of people were spared from starvation. The internees were supported even on their return to their home country. The State, having no confidence in the activity of the mentioned organization, nominated a state delegate as its commissioner. By reports, regularly issued, the public was informed of this welfare work and the confidence it enjoyed among the population was thus justified.

Agrarian reform which was enacted by the Provisional national Assembly shows a wrong attitude towards the Catholic Church. The Church property was legally and honestly acquired. Its revenues served the Church to pay its officials and to maintain archiepiscopal seminaries and central offices. No small number of people lived on these revenues. The priests enjoyed the fruits of the ecclesiastical estates but they were bound also, by foundation contracts, to fulfill certain obligations on behalf of the person, who has made the foundations.

The cultural and national institutions were further largely supported by princelly gifts. They permitted the creation of cultural and social works in a permanent way. We quote but the Zagreb University having been so generously supported by Bishop Strossmayer, archbishop Dr. Bauer and parish priest Father Terjavić.

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Agrarian reform has deprived the Church of all its estates which were completely equipped with all necessary material and requisites, without any compensation as having been acquired by theft. What remains will not be sufficient to meet all needs of the Church.

To justify the confiscation of Church property the press published articles in which the estates were represented as being badly cultivated and deserted. A letter to the Editor of the newspaper that would state the real state of things was not allowed to be published. No defense was allowed yet everybody knew the reasons and persons

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that caused the bad condition of the ecclesiastical estates. Certainly the Church it was not.

On this occasion we must emphasize that the Church never opposed justified social reforms even then when the Church itself was affected. Therefore the Church wishes to make contact with the State authorities and to discuss this problem which so much effects ecclesiastical life, as an equal and independent party.

Catholic orders of women and their educational and charitable institutions have daily to face new difficulties and new ideas. What troubles have not to support the sisters of Charity, both in state hospitals and in their own. The attitude of some state delegates shows clear intention to make difficult or even impossible every welfare activity of the sisters.

At last we have to call your attention to another sad and extraordinary fact. The graves at Zagreb, Varaždin and other localities are not spared violation. The graves of Ustachis and of German soldiers are deprived of crosses and levelled with the earth, by order of higher authorities. Everybody bows before death and the enemy ceases to be an enemy when dead. Unwritten laws of human culture which has its origin in christian love demand that everybody has the right of a worthy grave. It is well known that after the first world war the former enemy respected the graves of their adversaries. This right is not granted to our sons.

Dear faithful. Our sorrow is not confined to the needs of the Catholic Church, their institutions and priests. Having been informed of the sufferings and troubles of so many faithful we did our best to help them in these difficult troubled days. We intervened so often with the authorities concerned in behalf of those who were sentenced to death to beg pardon for them. We firmly demanded for them religious comfort at their last hour. We demanded that the relatives of the executed should be shown the graves of their dear deceased. All that we did under former military regimes also, when we were appealed to by the relatives of unfortunate victims of fratricide.

We demanded that the relatives of those who were sent to concentration camps should be told the name of the camps. We intervened also on behalf of these imprisoned that they might be set at liberty if they were not guilty. We took up the problem of inteligentzia that remained without any employment and could not procure for themselves and their families the necessary means of living. We helped everybody who askes support following always the commandment of the christian love and justice without regerd to their political idea. We were not checked

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There is a still greater trouble, namely, the materialistic and atheistic movement which is spreading openly and secretly all over

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our country. We, Yugoslavia's catholic bishops, as teachers of truth and as the representatives of religion, energetically condemn this materialistic spirit that cannot bring anything good to humanity. Simultaneously, we condemn quite naturally all those conceptions and all the systems which are not based on the principles of christian revelation, but on the false foundation of materialistic i.e. atheistic philosophical doctrines.

All that we have said we have meditated thoroughly. It is clear that the position of the Catholic Church in the Democratic Federal Yugoslavia is different from its former position. The actual position of the Catholic Church in Yugoslavia in our opinion differs only in name from the state of an open prosecution of the Church.

We wished to point out all that, our dear faithful in order that you might see things quite clearly.

Whatever happens, we are looking in confidence to our future. We are encouraged by the devote religious life of broad masses of the faithful in all the parts of our State. We are comforted and made glad by the encreased devotion to the Mother of God which is so dear and so close to the hearts of our catholic people.

By this letter we do not wish to initiate a struggle with the new state authorities. We do not wish to start a conflict. Our thoughts are directed to peace that we need so much. We are firmly convinced that the reconcilitation and healing of wounds made by war in our country can be achieved only by respecting the catholic religion and its influence. We shall not be confused by wrongful attacks and accusations to the effect that we support reaction and the enemies of the nation. We are one with our people and we guard the precious values and untarnished religious heritage of our ancestors and we ask the right to live in harmony and love with all citizens without regard to their religion or nationality.

Therefore we ask and it is our request from which we shall never retreat: complete liberty for the catholic press, complete liberty for the catholic schools, complete liberty for the catholic organizations, complete liberty for catholic charitable activities, complete liberty for human dignity and the imprescriptible human rights, complete respect for christian marriage, and restoration of confiscated institutions and colleges. These are the conditions for the restoration of normality in our common state and for creation of a permanent internal peace.

May the Almighty bless our endavour to achieve our goal. He who

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May the Almighty bless our endavour to achieve our goal. He who is the sole origin of that peace which the world cannot give, may He bestow on us days of real and lasting peace. Invoking the blessing of God, Father, Son and Holy Ghost.

We, the undersigned Bishops take the whole responsibility for this letter which is to be read on 30th September.

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1. Dr. Alojzij Stepinac, archbishop, Zagreb,
2. Dr. Nikola Dobrečić, archbishop, Bar and primas of Serbia.
3. Dr. Josip Ujčić, archbishop, Beograd and apostolic administrator for Banat,
4. Dr. fra Jeronim Mileta, bishop, Šibenik,
5. Dr. Kvirin Klement Bonefačić, bishop, Split,
6. Dr. Josip Srebrnič, bishop, Krk,
7. Msgr. Mihael Pušič, bishop, Hvar,
8. Dr. Ivan Jožef Tomažič, bishop, Maribor,
9. Dr. Viktor Burič, bishop, Senj.
10. Dr. Smiljan Čekada, bishop, Skoplje,
11. Dr. Petar Čule, bishop, Mostar.
12. Dr. Anton Akšamovič, bishop, Djakovo,
13. Msgr Lajčo Budanovič, bishop, Subotica,
14. Dr. Antun Buljan, vicar general, Sarajevo,
15. Msgr. Božo Ivaniš, vicar general, Banja Luka,
16. Anton Vovk, vicar general, Ljubljana,
17. Ivan Jerič, vicar general, Ljubljana,

This letter was read on the 30th September in all churches in Yugoslavia. It was read by the bishops and the vicar general in cathedrals. It won general approval.

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11. Dr. Petar Čule, bishop, Mostar,
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HQ. P.C.
Chief Commissioner

HEADQUARTERS
PIEMONTE REGION
ALLIED MILITARY GOVERNMENT
APO 394

Reference: 001.

Subject : Regional Meeting - 16 Oct 45

To : See Distribution

1. Provincial Commissioners

Cuneo - P.C. Cuneo reported that grain is continuing to be amassed at the rate of 1500 quintals per day.....Inquiring about the tires which would be sold be the NMD Sub-Commission, the P.C. was informed that they are sold to the Italian government, who will sell them to individuals. Any buyer will receive a pass bearing the number of the tire and stating that possession is authorized.

Alessandria - P.C. Alessandria reported less amassing this week than in the past.....Alessandria has received word that 100 rail cars of wood have been dispatched from Umbria for Alessandria, and sought police aid in getting them safely from Florence to Bologna. Commerce is to contact Milan to see that protection is afforded.

Torino - P.C. Torino reported that some time ago the Provveditore agli Studi informed him that he was starting a Russian cultural society, non-political. It has been found that this society is not non-political, and is therefore to be denied the use of the GIL building, where it has been meeting.

Asti - P.C. Asti reported that he had attended a staff meeting of a Cremona regiment and was impressed by the sincerity and ability of the officers. He was especially impressed by their fine point of view regarding public order.

Novara, Vercelli, Aosta - Nothing of general interest to report.

2. Special Divisions

Staff Officer (B) - ESO (B) asked P.C's. to impress upon all British personnel that this Headquarters is doing all possible regarding LIAP.

1113

Transportation - All available tires from Michelin, except those of odd sizes for which there is little demand, have been sent to the provinces or other regions.....34 rail wagons will be spotted at Domodossola, with more available if needed, to transport wood which will be brought into that commune from the neighboring forests.

558/CC

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

1059

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Subject : Regional Meeting - 16 Oct 45

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1060

558/CC

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Food - Grain movements are being expedited, and nearly all provinces have a good reserve.....15,000 quintals of sugar are expected in the Region shortly.

Telecommunications - It was announced that Italcable is now authorized to handle EM messages on behalf of troops.

C.O., Company "S" - The Commanding Officer of Company "S" announced that better provisions for the drawing of rations have been made. Beginning 17 Oct this Headquarters assumed all responsibility for the delivery of rations to the provinces and for running the courier service which will transport the rations. British rations will be available every Tuesday, Thursday and Saturday, and American rations available every Thirdday. Delivery will be made as soon as the rations are received here and broken down.....Arrangements have also been made for the regular delivery of the Stars and Stripes and other publications, which have not been reaching this HQ of late.

M.F.A.A. - It was announced that this Division had closed as of 15 Oct. All MFAA matters are to be handled by the Italian superintendents in the provinces.

Agriculture - The Regional Agriculture Officer stated that considerable disatisfaction is being voiced over the disposition of the land which was taken by the Italian Air Force. It is understood that this land cannot be returned to the original owners, and two of these sites are now being worked by wealthy individuals. A lawyer representing the former owners went to Rome to consult with the Italian government and was told that this territory is under AMG, thus implying that the onus rests with the P.C. of the province concerned. The matter will be discussed further.

Public Safety - The R.P.S.O. reported that orders have been issued by 7 AGPA regarding procedure in applying for troops in case of civil disturbance. As far as P.C's. are concerned, they must apply to the Regional Commissioner.

Industry - Coal allocations for northern Italy have been made and will shortly be sent to the provinces.

3. Comments by the Regional Commissioner

Epuration - Cases have been reported from Turin in which persons who have been epurated and released have been unable to return to work because of pressure by the CLN. Isolated instances have also occured in other province and the Regional Commissioner advised that the CLN's be called in and told that they cannot continue this prejudiced treatment. The only legal epuration at the moment is that authorized by G.O.46 and once a person has been found guiltless or harmless under this order he should be permitted to assume his former duties.

Italian Government Communications - Communications from Ministries in Rome continue to be addressed directly to Prefects, despite numerous representations to HQ Alcom in Rome. The only effective procedure is to speak to the Prefect in each province, reminding him that Italian government decrees cannot be effected without reference to AMG.

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Wood - The Regional Commissioner announced that Lombardia now has a Commissariato for wood which is similar to ours. This Region will be required to draw from Piemonte this year, as they have in the past, and Prefects are to be told that they cannot interfere with any wood shipments from their provinces.

Change in Command - The Regional Commissioner introduced Colonel Eugene R. McPhee, who will assume duties as R.C. on 16 Oct 45. Colonel Thomas then thanked all present for their excellent spirit of cooperation during the two months in which he has been in command.

4. Action to be taken

All P.C.'s - To notify Prefects that AMG must be consulted before any Italian Government decree is put into effect.

Commerce - To contact Milan in an effort to provide protection for the 100 cars of wood which are supposedly enroute from Umbria to Alessandria.

ESO (A) - To see that Chief Clerk takes care of packing MFAA files.

Food - To attempt to provide extra rations for the tunnel workers at Tenda, who are already working in the snow and water in a mountainous area.

By order of Colonel McPhee:

Roy E. Barone
ROY E. BARONE
1st Lit., FA
Adjutant

DISTRIBUTION:
Regional Commissioner
D-Regional Commissioner
All Provincial Commissioner(2)
All Heads of Divisions
All Staff Sections
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section (2) HQ AC
Economic Section (3) HQ AC
Public Relations Branch (3) HQ AC
File

1112

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OCT 12 REC'D HQ, A.C.

HEADQUARTERS
PIEMONTE REGION
ALLIED MILITARY GOVERNMENT
APO 394

Chief Commissioner

Reference: 001.

9 Oct 45

Subject : Regional Meeting - 9 Oct 45

To : See Distribution

1. Provincial Commissioners

Cuneo - P.C. Cuneo reported that the amassing campaign is still showing effects in the amounts which continue to come into the warehouses. Over 10,000 quintals were amassed during the first week of October.

Alessandria - A Prefect problem exists in Alessandria. The incumbent is a member of the Consultiva at Rome, and consequently is not believed eligible to continue as Prefect. A ruling is at present awaited from the Local Government Sub-Commission before the appointment of a successor is made.....16,000 quintals of grain were reported amassed in Alessandria during the first week of October.

Asti - The P.C. of Asti reported that rumors still persist regarding the uprising which will take place when AMG leaves the area.

Torino - An incident occurred at the prefettura during the week which gave cause for alarm when a young friend of the Prefect entered and claimed to have overheard a conversation in which reference was made to a bomb which had been planted in the offices of the Prefect. He asked the Prefect and others present to withdraw while he made a search. Presently he appeared carrying a small parcel which he deposited in adjoining gardens. A minor explosion followed. Persistent investigation on the part of the P.P.S.O. has brought to light the fact that this same youth was responsible for having planted the bomb in the Prefect's chambers.....Togliatti and Nenni are to visit Torino on Oct 13th and have asked for the Stadio to hold a meeting. In view of breaches of promise on a former occasion by these individuals, the P.C. has asked the advice of the Regional Commissioner.... The P.C. reported that he has repeatedly told the Prefect that public buildings must not be made available to certain political parties to the exclusion of others, but since he has received no cooperation in this regard, he has now issued an order that all public buildings not properly leased must be vacated.

Aosta - Vercelli - Novara - Nothing of general interest to report.

2. Special Divisions

1111

Transportation - The Regional Transportation Officer announced that the Lancia works are beginning to produce on a small scale and have asked permission to spread their vehicles over a large part of Italy. Fiat is producing 280 units per day, without tires.....Trucks are not to go south for wine. Inspectors are located at the larger wine producing points in the south, and any trucks which might [illegible]

558/c

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

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Aosta - Vercelli - Novara - Nothing of general interest to report.

2. Special Divisions

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Transportation - The Regional Transportation Officer announced that the Lancia works are beginning to produce on a small scale and have asked permission to spread their vehicles over a large part of Italy. Fiat is producing 289 units per day, without tires.....Trucks are not to go south for wine. Inspectors are located at the larger wine producing points in the south, and any truck which violates this order will not be loaded.

Public Works - This division will receive 750 tons of coke during October for preheating of gas works. All P.S's were urged to hold up the heating of works in their areas until advised by this Headquarters, as a schedule will be worked out by Public Works which will enable all plants to begin production at about the same time.....Genio Cigile officials should be notified that no more road projects are being accepted.

Telecommunications - It was announced that a telephone circuit from Milan to Paris is now open for civilian use.

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Displaced Persons - P.C's were urged to see that Displaced Persons personnel are familiar with the ruling which limits luggage to 40 kilos. According to the Regional Displaced Persons Representative, 12 Yugoslavs recently arrived from a province in AMG trucks with what appeared to be a high percentage of the province's amassi.

Legal - Epuration returned have been unsatisfactory, and P.C's were urged to see that the Epuration Commissions are familiar with their duties.

HQ Commandant - The HQ Commandant announced that more rooms will be needed in this HQ building for the use of the Italian Army. All divisions are to notify HQ Commandant of rooms which are not in use, so that a rearrangement may be made which will make further space available to the Cremona Division for its headquarters.....All were urged to give as much advance notice as possible to civilian employees before they are dismissed.

Patriots - The Regional Patriot Officer, announced that reports have reached his office of unfair election of officers in the various communal ANPI organizations. These elections are held in the presence of a limited number of members, so that instead of being representative elections they are, in fact, self appointments.

C.O., "S" - Because of the withdrawal of considerable numbers of American troops from this area, many ration dumps have been closing, and the problem of drawing rations for American personnel has reached a stage where it approximates a scavanger hunt from week to week. The most recent experiment of drawing from Leghorn via Genoa has proved unsatisfactory because a third formation was involved, and plans are now being worked out by which it is hoped that Co.S may draw from Udine via Milan. The R.C. and C.O. Co.S will consult with the C.O's. of Companies "C" and "R" at Milan in an effort to improve the situation.

3. Regional Commissioner

British Officers - It was announced that HQ Alcom had informed the northern regions of their intention to draw on the British officer personnel for duties at HQ and Venezia-Giulia. It was stated that such drafts would be kept at an absolute minimum until the closing of the region.

Wood for Lombardia - The Regional Commissioner stated that he had received a request from the R.C. of Lombardia for wood for Milan. It was reported by P.C. Aosta and by the Regional Commerce Officer that buyers have been coming from Milan, but for the most part they are industrialists who are willing to pay any price. This has upset the market, and as a result the merchants are holding out to sell to these agents.

POW's at Novara - Having investigated a complaint that German POW's were being employed in Novara province with consequent unemployment of Italian, the P.C. of Novara reported that 277 Germans are being employed by a British Army unit. The P.C. is to notify the Regional Commissioner of the identification of the unit and the name of the commanding officer.

Captured enemy vehicles - The deadline for declaration of captured enemy vehicles in the provinces has been extended to Oct 24 instead of the 10th. The Regional Transportation Officer requested that the Ufficio Autotrasporti be consulted in compiling the lists, and that they be forwarded to the Regional Transportation Officer for transmission to the War Materials Disposal Sub-

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

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Prefects Reports - The Regional Commissioner requested that P.C's. thank the Prefects for their cooperation in forwarding their bi-monthly reports.

4. Action to be taken

Commerce - To arrange with 7 AGRA regarding movement of wood, so that P.C's. will know what requests are authorized.

Declassified E.O. 12356 Section 3.3/NND No. 745017

All P.C's. - to search for any place which might possibly be making arms. Report by Oct 15th.

To forward list of captured enemy vehicles to Regional Transportation Office. Due on Oct 12 (or 19).

[illegible] - To investigate the ANPI officials, and ascertain if they have been elected by a fair election, or whether it has been a case of self-appointment.

P.C. Torino - Food - To present a case regarding the shipments by rail of wine from Apulia, citing the cases of merchants who have been assured transportation only to have it withdrawn.

By order of Colonel THOMAS:

ROY E. BARONE
1st Lt., FA
Adjutant

DISTRIBUTION:
Regional Commissioner
D/Regional Commissioner
All Provincial Commissioner(2)
All Heads of Divisions
All Staff Sections
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section (2) HQ AC
Economic Section (3) HQ AC
Public Relations Branch (5) HQ AC
File

1110

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

OCT 4 RECD

CHIEF Com. Hq AAI

HEADQUARTERS
PIEDMONT REGION
ALLIED MILITARY GOVERNMENT
APO 39

Reference: 001 2 October 1945

Subject : Regional Meeting - 2 October 45

To : See Distribution

1. Provincial Commissioners

Alessandria - P.C. Alessandria reported that the Prefect of that province had returned from Rome, where he has served as a member of the Consulta. It is understood that he cannot continue to serve as Prefect, and efforts are being made to provide a successor. The Prefect of Aosta was mentioned as a possible choice....100 quintals of rice were recently confiscated at a road block in Alessandria.

Asti - P.C. Asti reported that a regiment of Italian troops of the Cremona Division had moved in and had created a good impression....For the third consecutive week, P.C. Asti deplored the workings of the Commissariato for fuel wood, and warned that the situation is fast becoming serious.

Torino - Approximately 300 representatives of industrial organizations gathered during the week to impress upon the P.C. the inadequacy of the amended bread ration. They were told of the shortage of grain, but it was promised to bring their petitions to the attention of higher authorities. Letters expressing fear of the consequences of the prospective turnover to the Italian authorities continue to reach the office of the P.C. in large numbers. Nearly all state that this fear is based on the fact that the CC RR are of insufficient numbers, are not mobile, and that the radical elements are well-armed.

Novara - Following an agreement between a local partisan leader in Novara and the public safety officer, a manifesto was circulated by the leader asking for the surrender of arms. Approximately 35 truckloads have been surrendered as a result....Considerable unrest was reported over the employment of German PW's in Novara province with consequent unemployment of Italian workers.

Aosta - P.C. Aosta reported that there is a feeling in that province that the presence of troops to aid in the corn amassing would be desirable. The Regional Agriculture Officer stated that the amassing of corn is important enough in certain areas to warrant special attention.

Vercelli - Cuneo - Nothing of general interest to report.

2. Special Divisions

1109

Transportation - The Regional Transportation Officer reported that Fiat military vehicles must be turned in to AMG. There are five remaining in use in the Region, which may be retained if Italian military personnel are used as drivers.....It has been reported that Italian Air Force officers have been taking vehicles in the Region, not only those belonging to the Air Force, but Italian Army and civilian vehicles as well. This is not authorized unless they

Declassified E.O. 12356 Section 3.3/NND No. 753017

Subject : Regional Meeting - 2 October 45

To : See Distribution

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

Food - The Regional Food Officer stated that there is no chance of obtaining an increase in the bread ration. Rice will be a valuable substitute, and care should be taken to see that it does not find its way into the black market. Road blocks should be set up at once to see that there is no unauthorized movement of rice.

Telecommunications - It was announced that there is now a direct telephone communication with Switzerland.

Legal - The Regional Legal Officer stated that the majority of cases in which there is discontent over the length of time required to confirm sentences are the fault of the provincial officials. An important factor in the confirming of the sentences is the opinion of the Procuratore del Regno in the province, and these officials are often dilatory in forwarding these opinions.

Agriculture - The Regional Agriculture Officer stated that Italian Army personnel who are examining horses which were captured from the enemy are looking for horses which at one time belonged to the Italian Army. They cannot sell or make any other transactions regarding these animals.

Public Works - The Regional Engineer announced that the Tenda tunnel should be open within a week, and should ease the wood situation....The Genio Civile in each province should be urged to hold all pending projects for submission to the Italian authorities.

3. Regional Commissioner

Amassing Campaign - The Regional Commissioner thanked all P/C's for their interest and work in the recent grain-amassing campaign and congratulated them on the results obtained. A conservative estimate reveals that approximately 110,000 quintals were collected as a direct result of the drive. P.C's were urged to talk to their Prefects and make them aware of the fact that the Allied Governments consider this section of Italy to be self-sufficient. Although there are stores of flour and other foods in warehouses throughout Italy, they have been brought to supply the deficient areas, and cannot be used for this section of the country.

Redeployment - American Officers - The R.C. stated that copies of Cable No. 6137 dated 26 Sept from HQ 2675th Regt had been sent to all American Officers. All P.C's were urged to see that these officers reported to Headquarters on 2 October to sign the appropriate certificates, so that a prompt return may be made to regimental headquarters.

Closing of Provinces - A reply to the R.C's. cable to headquarters, in which he stated that he intended to close down all provincial headquarters on 1 Oct, has been received. HQ, Allied Commission desires that at least two officers remain at each provincial headquarters. The R.C. and P.C's will meet to see what can be done with the limited personnel which remains.

108

4. Action to be taken

Commerce - To provide P.C. Cuneo with a list of the obligations of the wood commissariato; to advise P.C. Asti of progress in getting its requirements filled.

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

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

All P.C's - To ask Prefects to give publicity to the necessity for for corn amassing.

To establish road blocks, were necessary, to control the movement of rice.

To provide Food Division with the needs of the provinces for agricultural salt.

By order of Colonel THOMAS:

ROY E. BARONE
1st Lt., FA
Adjutant

DISTRIBUTION:
Regional Commissioner
D/Regional Commissioner
All Provincial Commissioners (2)
All Heads of Divisions
All Staff Sections
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section, HQ AC (2)
Economic Section, HQ AC (3)
Public Relations Branch HQ AC (3)
File

1107

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

CHIEF COMMISSIONER
HQ A/C

OCT 4 RECD

HEADQUARTERS
PIEMONTE REGION
ALLIED MILITARY GOVERNMENT
APO 394

Reference OCl. 25 Sept 45

Subject : Regional Meeting - 25 Sept 45

To : See Distribution

1. Provincial Commissioners

Cuneo - P.C. Cuneo reported that all Sindaci have been duly appointed except three, which are expected to be taken care of today by the Prefect of that province.

Alessandria - P.C. Alessandria reported all Sindaci appointed and confirmed.....It was reported that the wood Commissariato is not serving its intended purpose.....The post of Questura is not yet filled, the appointee having shot himself.

Asti - All Sindaci in Asti have been confirmed.

Aosta - All Sindaci in Aosta province have been appointed..... The wood Commissariato is not functioning satisfactorily in this province, the Italian official in charge trying to get the wood to Turin rather than meet the needs of the province.....It was also reported that many partisans in this area are still wearing Allied uniforms, with no marks to distinguish them from British or American soldiers.

Vercelli - Sindaci appointed and confirmed..... 3 truckloads of hidden arms have been impounded.

Novara - All Sindaci confirmed.....Six Fascist prisoners were executed on Sunday.

Torino - Nothing of interest to report.

2. Special Divisions

HQ Commandant - The HQ Commandant reported that the civilian mess at Headquarters will close as of the 30th of Sept..Civilians may eat the mid-day meal at one of the Mense di Guerra in the vicinity.....It was requested that payrolls in respect of civilian employees be reduced to a bare minimum before 30 Sept., so that no one remains after that date who is not absolutely essential.

Labor - The Regional Labor Officer announced a rather strong bid by the Consiglio di gestione for recognition. The Labor Officer will prepare a report for the Regional Commissioner on the movement, which is an attempt to place organized labor in the administrative and financial posts of industry.

1106

Transportation - The Regional Transportation Officer announced that the provinces are receiving their tire and tube allotments today.

Public Health - The Regional Public Health Officer asked all to

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

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Transportation - The Regional Transportation Officer announced that the provinces are receiving their tire and tube allotments today.

Public Health - The Regional Public Health Officer asked all to be on the alert for reports regarding the pilfering which took place in the recent distribution of drugs to Vercelli and Torino provinces. Public Health and Public Safety should be informed if any clue is uncovered as to the whereabouts of the muslin and insulin which was stolen.

Education - The Regional Education Officer announced that he will meet with the Provveditore agli Studi on Friday to discuss their problems, chiefly the question of heating the schools during the winter months..... He also reported that he had received a request to form an Italo-Russian society, non-political.

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Food - The Regional Food Officer reported that the food situation is about the same. Although the regional amassing campaign has been a success, this wheat will not supply the demands of the region for the winter. Free inter-provincial trade is therefore encouraged, and will in fact be required, so that surplus provinces may aid the deficient until such time as an import plan goes into full operation. Prefects and [illegible] civilian officials of food-handling agencies must be impressed with the importance of this trade with other provinces, and made to understand that it is all a part of a national program.

Public Safety - Although weapons for CC RR have been requested many times by the Regional Public Safety Officer, it is reported that AFHQ has not yet seen fit to grant a release.....Arrangements are being made to find a new Questura for Alessandria.

Adjutant - The Chief Clerk asked that all Provincial Commissioners comply with the instructions which have been issued regarding the closing out of files and their secure and indexed tabulation for the Archives Branch at AC of S. Divisions were notified that they are not to box their files, but merely tie them in the required 12" bundles and hand in to the Chief Clerk.

Displaced Persons - The Regional Displaced Persons representative asked all P.C's. that charitable organizations be discouraged from importing refugees without his prior knowledge.

Agriculture - Regarding the wood situation, the Regional Agriculture Officer stated that the Regional Forestry Officer reported a great deal of wood cut and stacked, but a lack of transport to bring it to the centers.....It was also reported that the provinces of Torino, Asti and Alessandria have Prefect's orders blocking the sale of hay.

Commerce - The Regional Commerce Officer announced that glass and glass substitutes are controlled by the Italian government. The North Italy Industrial Council have been informed of the glass situation and will make allocations at their next meeting.....PCL allocations have been cut, but there is nothing which can be done, as this also is controlled by the Italian agencies under a plan announced at last week's meeting.....The Commissariato for wood has been warned to give more attention to an equitable allotment of fuel-wood.

Finance - Within the next week four provincial finance officers will be called in. P.C's. were asked to see that these officers clear up all financial matters prior to their departure.

Patriots - The Regional Patriots Officer announced that the fate of the Partisan transport pools, organized with captured Italian vehicles, will be announced shortly.

Public Works - The Regional Public Works Officer announced that he will send officers to the provinces to see that all outstanding projects now with the Genio Civile are handed to the Intendente di Finanza.....An officer of this division recently went to Rome to submit bids, and all were approved except a few road and large building projects.

Staff Officer (G) - Announced that monthly reports for September are due on 1 Oct. If a Special Division cannot have its complete report in on that date a two or three [illegible]

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

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Staff Officer (B) - Announced that monthly reports for September are due on 1 Oct. If a Special Division cannot have its complete report in on that date a two or three hundred work synopsis will be acceptable.

3. Comments by the Regional Commissioner

Foreign Missions - Because of the presence in the Region of missions representing various countries, the Regional Commissioner sought information as to how they might be dealt with, and the reply has come that they can be questioned and must have in their possession travel orders from AFHQ, giving names, destination, description of mission, etc.

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

AMG Currency - The Regional Commissioner requested the Finance Division to urge cooperation of the banks in creating a greater respect for AMG currency. It appears that reluctance to accept this currency is widespread, because of forgeries in 1000 lire denominations, and faith is not encouraged among the population when the banks themselves are wary of the notes.

Amassing - The R.C. congratulated P.C's. for their part in the amassing campaign, which has been successful to date. Better than 65,000 quintals as a result of the campaign have been amassed as of 20 Sept, and this figure will rise until the final day of the campaign, 25 Sept. The general opinion has been that the services of the Italian soldiers in this regard has been desirable, and some provinces are considering carrying on under the plan after turnover to the Italian government.

Transportation - The R.C. expressed regret over the recent call for good vehicles, but announced that the order must be complied with.

4. Action to be taken

Labor - To submit complete report regarding Consiglio di Gestione to the Regional Commissioner.

P.C. Asti - To procure rifles for his CC R from Cuneo.

Agriculture - To investigate and report on the hay problem.

Welfare - To consult with Industry Officer regarding coal for the heating of hospitals and welfare institutions.

Commerce - To check on wood Commissariato to ascertain that the allocations between Turin city and the provinces are made on an equitable basis.

By order of Colonel THOMAS:

ROY E BARONE
1st Lt, FA
Adjutant

DISTRIBUTION:
Regional Commissioner
D/Regional Commissioner
All Provincial Commissioners(?)
All Heads of Divisions
All Staff Sections
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section (2) HQ AC
Economic Section (3) HQ AC

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

figure will rise until the final [illegible] campaign, [illegible]. [illegible] opinion has been that the services of the Italian soldiers in this regard has been desirable, and some provinces are considering carrying on under the plan after turnover to the Italian government.

Transportation - The R.C. expressed regret over the recent call for good vehicles, but announced that the order must be complied with.

4. Action to be taken

Labor - To submit complete report regarding Consiglio di Gestione to the Regional Commissioner.

P.C. Asti - To procure rifles for his CC R from Cuneo.

Agriculture - To investigate and report on the hay problem.

Welfare - To consult with Industry Officer regarding coal for the heating of hospitals and welfare institutions.

Commerce - To check on wood Commissariato to ascertain that the allocations between Turin city and the provinces are made on an equitable basis.

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File

1105 -

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

CHIEF Com. Hq AFHQ

HEADQUARTERS
PIEMONTE REGION
ALLIED MILITARY GOVERNMENT
APO 394

Reference: 001. 19 Sept 45

Subject : Regional Meeting - 18 Sept 45

To : See Distribution

1. The meeting convened at 0930 hours with the Deputy Regional Commissioner in the chair in the absence of Colonel Thomas, who had gone to the airport to meet Colonel Fiske. Upon the arrival of the Regional Commissioner and Colonel Fiske, a brief ceremony took place in which Bronze Star medals were presented to Major A.J. Malateeta, Captain S.V. Noe and Lt E.E. Nevans. After the presentations, Colonel Fiske addressed the assembly and discussed various matters of interest. Regarding the actual turnover date, he was unable to give any information except that 30 Sept is tentative. Concerning the awarding of further decorations, it was stated that although MTOUSA is anxious to have all awards made as soon as possible, and had set a final date to this end, it was thought that Military Government personnel would be given further consideration, in view of the fact that AMG activities in this area did not commence until the approximate date of the ending of the war in Europe. It was also announced that AFHQ has not approved the tables of organization for Liaison groups which were forwarded by A.C. There must be a reduction in the sizes of these groups, and hence officers who have planned on remaining cannot consider that these posts are secure.

2. Provincial Commissioners

Cuneo - P.C. Cuneo reported that 190 Sindaci have been appointed, 73 are awaiting approval and 9 are outstanding..... Continued dissatisfaction over the calling in of the Italian trucks being used by partisans was reported. The P.C. cited the case of one man in particular who bought a chassis and spent 1,000,000 lire to get the vehicle in roadworthy condition. He is now engaged in transporting wood. The Regional Transportation Officer stated that these people have known all along that they cannot retain the vehicles, and while it is regretted that a few honest people will suffer by the collection of these vehicles by the Italian Government, it is felt that the vast majority have been used for black market purposes and the owners have more than recouped their investments. This crafty element is, however,

1104

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

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Alessandria - P.C. Alessandria reported that he is not satisfied with the public safety situation. There have been an increasing number of armed robberies. It is generally felt that the police agencies are not of sufficient size or quality to cope with the situation..... The CLN is attempting to dictate on the appointment of a Provveditore agli Studi, trying to force the resignation of the present AMG-appointed incumbent.

Asti - P.C. Asti reported that 106 Sindaci have been appointed, with 17 outstanding..... It has come to the attention of the P.C. that individuals in the Italian Military Mission have been selling horses which were assigned by the Agriculture Sub-Commission. The Regional Agriculture Officer stated that these horses have been loaned to the farmers, and until they become their legal property they cannot be sold..... There is considerable dissatisfaction in Asti over the Commissariato for the provision of fuel wood, many people contending that the members are racketeers.

Novara - The arms collecting program is still under way in Novara, with 10 truckloads having been impounded.....P.C. Novara will notify this headquarters concerning the 20 officials still to be appointed.

Aosta - P.C. Aosta concurs with P.C. Asti regarding the reliability of the wood Commissariato. The Commerce Officer is to advise all concerned of action taken at a meeting of the Commissariato which was held last Saturday..... It was stated that the presence of the Italian soldiers is having a good effect in the amassing campaign. Since all P.C's. desire the prolonged stay of these soldiers, the R.C. will contact O.C. 7 AGRA in an effort to retain them until 26 Sept.

Torino - Vercelli - Nothing of general interest to report.

3. Special Divisions

C.O., Company "S" - The commanding officer of Company "S" stated that the heavy drafts of enlisted personnel are likely to continue. 2675 Regiment has recently requested the names of all EM with point scores in the 70-80 bracket, and it is to be expected that they will depart soon. The names of the men concerned were read, so that P.C's. and Heads of Divisions could plan accordingly.

Agriculture - The Regional Agriculture Officer stated that estimates of crops made since July 1st cannot be relied upon to any great extent. Many cases were cited in which there were wide discrepancies between initial estimates and those made at a later date in the same province.

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Public Health - It was announced that the provinces have now received their full quota of drugs. The medical warehouse will be closed shortly.

Education - Regarding textbooks, the Regional Education Officer stated that they have been selected and forwarded to the Ministry of Education for approval.

Food - The Regional Food Officer stated that all food problems are now handled by the Italian officials..... An adjustment has been made in the basic ration scale whereby heavy workers will receive a smaller ration, but workers as a whole will benefit.

Finance - The Regional Finance Officer stated that the Italian Government is now processing legislature for the financing of Italian agencies after the departure of AMG. They have been warned that they will probably have to take over as of 1 Oct.

Industry - Copies of letters regarding the coal situation were handed to all P.C's. and Heads of Divisions concerned.

Commerce - The Regional Commerce Officer announced that he wants no more requests for bicycles or bicycle tires. All should now be directed to UPIC.

Transportation - The Regional Transportation Officer announced that 100 WD vehicles have been turned over to the Italian Government, but now have no petrol to operate..... The next group of civilian vehicles to be derequisitioned will be handed in by 28 Sept. Fifteen vehicles will be taken, and the R.T.O. forewarned those concerned by stating from which divisions and provinces they would be taken. No violent protests were registered.

Patriots - The Regional Patriots Officer also objected to the taking away from the partisans the vehicles which they have been operating. He stated that in many cases they are important from the employment angle, since an estimated 3,000 people are at present employed in the servicing or operating of these vehicles. It is feared that the vehicles will be stripped so that they will be useless to the Italian Army, and further, that the lack of employment for these partisans will present a serious public security problem.

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4. Comments by the Deputy Regional Commissioner

Bills - The D.R.C. announced that special attention should be paid to the matter of clearing up outstanding bills. This is also meant to include any personal obligations which officers may have incurred during their stay in the Region.

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

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Transportation - The D.R.C. stated that 50% of the requisitioned vehicles must be derequisitioned by 28 Sept.

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

5. Action to be taken

P.C. Novara - To investigate authenticity of proposed meeting and ceremony scheduled for Novara on Saturday, 22 Sept.

P.C's. Asti - Torino - To provide this headquarters with the names of properly appointed sindaci.

P.C. Asti - To provide Public Safety with facts regarding the horse selling racket.

Regional Commissioner - To consult O.C. 7 AGRA regarding the possibility of retaining the Italian soldiers engaged in the amassing campaign until 26 Sept.

Industry - To write to R.C. requesting small allocation of coal for pre-heating purposes at the gas works.

Patricts - To report to the R.C. regarding the effects which the taking of Italian Army vehicles from the partisans is likely to produce, both as regards unemployment and public security.

By order of Colonel THOMAS:

Roy E. Barone
ROY E. BARONE
1st Lt, FA
Adjutant

DISTRIBUTION:

Regional Commissioner
D/Regional Commissioner
All Provincial Commissioners(2)
All Heads of Divisions
All Staff Sections
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section (2) HQ AC
Economic Section (3) HQ AC
Public Relations Branch (3) HQ AC
File

Declassified E.O. 12356 Section 3.3/NND No. 750017

Chief Commissioner
A. A C.
4160

HEADQUARTERS
PIEMONTE REGION
ALLIED MILITARY GOVERNMENT
APO 394

Reference: 091. 12 Sept 45

Subject : Regional Meeting - 11 Sept 45

To : See Distribution

1. Provincial Commissioners

Cuneo - P.C. Cuneo reported that war booty vehicles are being taken by 7 AUSA from the civilians who have been using them since the occupation of the area. In many instances considerable expense has been borne by all concerned, and there had been objection voiced by all who are involved. The R.C. stated that these individuals have known all along that these vehicles could not be retained, and that in most instances they have been used to such advantage by the operators that the cost of repairs has more than been met ..... The Regional Transportation Officer stated that he can arrange for Cuneo to purchase 15 Fiat 3-tonners, and can also send 20 M.D. vehicles to aid in the wood collection campaign..... It was reported that the newspaper, "La Guida", a religious organ, has been transgressing into the realm of politics. The R.C. requested a copy of the paper with a memo from the Provincial Commissioner.

Alessandria - Regarding censorship of newspaper items, the P.C. was advised that there is no longer a formal censorship of news stories. AMG has been criticised, but as yet nothing of a really serious nature has appeared in print..... There has also been criticism of the continued censorship of mail, but the P.C. was advised that Civil Censorship will cease as of 15 Sept.

Asti - P.C. Asti reported that the transport situation in that province is tight, and recently has been further aggravated by an order to remove 15 trucks to Alessandria for transfer to MAD. These vehicles can all be used to good advantage in Asti, and it is desired to retain them there until they are actually called by MD..... Objection was raised to the taking of 2 CC AR officers from the province , but the Public Safety Officer advised that 2 officers will be taken from each province from time to time for training in the new mobile units. P.C's. were assured that no more than two would be absent from any province at one time.

Torino - P.C. Torino reported that the false announcement that AMG would depart on 15 Sept gave rise to widespread fear in the province of Torino. Information regarding a parade which was to have been held has been passed to Public Safety.

Aosta - P.C. Aosta reported that the French Mission, which has been the cause of some unrest in Aosta, has left the scene.

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Novara - The collection of arms is proceeding in Novara, and it was reported that during the past week 3 truck-loads had been collected in Borgomanero as the result of a voluntary report from a partisan chief.

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Vercelli - P.C. Vercelli urged that the Italian soldiers who are to assist in the grain collection campaign be allowed to take part physically, but it was thought that their presence alone would be enough to assure the Carabinieri of authoritatively carrying out the actual law-enforcement duties..... It was reported that competition has forced the CLN newspaper at Vercelli out of business. .... It was learned that representatives of the High Commissioner for Epuration in Rome have set up epuration commissions without reference to the Provincial Commissioner. The Regional Legal Officer stated that many Prefects are under the wrong impression regarding the establishment of these commissions, and have been hasty in ordering their formation. The true situation is that operations proceed under GO 35 until the departure of AMG, at which time DDL 159 goes into operation. The representatives of the Italian Government may set up commissions in preparation for their work after the turnover, but should not in any way interfere with present operations under GO 35.

2. Special Divisions

Industry - The Regional Industry Officer reported that Coal Section in Milan had sent 500 tons of coal to Torino by mistake. Rome has advised that this coal must be used for steel and cannot be put to use in Torino for reactivation of gas works. There will be no gas for cooking before 15 Nov..... Priority for the Fiat works in the allotment of tires was urged by the Industry Officer in order to keep the production at that plant at a high level and provide as much employment as possible.

Finance - The Regional Finance Officer urged that P.C's. do nothing about accepting communal budgets for the last quarter of this year until the actual turnover date has been announced.....P.C's. were urged to consult their Legal and Finance Officers to learn of cases in which advantage is being taken in sequestrations of Fascist properties.

Transportation - The Regional Transportation Officer announced that tires will not be allotted to requisitioned cars, since the days of need for such vehicles are apparently numbered. It is expected that all these vehicles will be de-requisitioned soon, and that the Liaison Group which remains here will depend entirely upon W.D. transport..... A check at the Michelin plant by the R.T.O. disclosed that Turin has been receiving a lion's share of the tires allotted. In the future allotments on a more equitable basis will be handled by the R.T.O..... The so-called Russian Mission at Cuneo has applied for the release of vehicles at Fiat, but no release will be granted until their position is known to the Regional Commissioner, who as yet has heard nothing officially of their purpose or status .....In the future, all requests from the provinces for load-carrying vehicles will be processed first by the Provincial Transportation Officer before being submitted to the Regional Transportation Office.

Public Health - P.C's. Aosta, Torino, Asti, Vercelli and Novara were notified that medical supplies for their provinces are at the medical depot awaiting transport.

Labor - Labor offices are now operating in all provinces and are capable of handling all labor questions. P.C's. were urged to notify their prefects that they are not to concern themselves with labor questions.

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Education - The Education Officer reported that the Provveditori agli Studi have not received reports of the epuration of school teachers..... The withdrawal of the Cremona troops from the school buildings at Alessandria has eased the problem there, and it is thought that school sessions will commence on acedule.

Food - The Regional Food Officer announced that some communes have not yet supplied the statistics on food needs. P.C's. were asked to bring the necessity for these reports to the attention of Sindaci.

Displaced Persons - 20,000 Italian POW's from France will shortly arrive in Novara, where they will be handled by the Displaced Persons Camp..... All POW's from Russia are expected within the next two months.

Public Safety - The Regional Public Safety Officer announced that 2 French Officers with two trucks were found in Torino distributing salt. When called in, they were found to be in possession of a document from the Chief of Cabinet at Cuneo authorizing them to bring salt to Cuneo and Vercelli in exchange for rice and pasta. A further check seemed to indicate that the Prefect of Cuneo was at fault, and when contacted, this official accepted the responsibility. He has been summoned to the office of the Regional Commissioner for a conference with the P.C. of Cuneo and the Regional Public Safety Officer.

Telecommunications - The Regional Telecommunications Officer announced that telegraph service has now been established between Torino and Zurich, in Switzerland.

Agriculture - The Regional Agriculture Officer announced that Italian statistics are not reliable criterions of the actual situation, especially regarding amassing reports..... The RAO urged the Regional Transportation Officer to deny petrol to any agriculture official until the Agriculture Officer knows which of these officials are authorized to have vehicles.

Public Works - The Regional Public Works Officer announced that the price of steel and the prices on contracts are gradually coming down to a more reasonable level..... Projects for snow removal should be submitted as soon as possible.

3. Comments by the Regional Commissioner

Food Situation - The Regional Commissioner read a letter from the Economic Section, AC HQ, in which the poor showing made to date in the amassing program was deplored. It appears that in this area only 33 per-cent of the target figure has been amassed, while in AC territory to the south the percentage is 55. The Regional Agriculture Officer stated that this is undoubtedly due to the fact that this area was, until fairly recently, combat territory, and also to the fact that our target figures, having been based on history by an unbiased committee, are apt to be far more difficult to attain than those which are set by Italian officials in the south, where a target is known to have a good-sized bulls-eye..... The Regional Commissioner announced that the plan to send Italian soldiers into the provinces to expedite the amassing is laid on and ready to operate as of 12 Sept. A platoon of soldiers is to report to each province on 11 Sept, provided with vehicles, and will commence operations in liaison with the Italian officials on the 12th. P.C's. were urged to take a

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personal interest in the campaign and to spare no effort during the next ten days in assisting in every possible way to see that every available quintal of grain is brought in. The Allied officers themselves are to be as energetic as possible and are to tolerate no loss of time or dilatory tactics on the part of the Italian UPSEA or Consorzio officials.

POL - The R.C. announced that a new system of distributing POL for civilian use is now in operation. Petsec is closing, and Italy is now being granted petrol and other lubricants on a credit basis. An Allied board makes the allocations and deducts from the credit which has been established for the purpose. All requests now go to the Italian government. An item of special importance under the new set-up is that there will be no pool from which additional allotments may be made during the month.

Call-up - Italian Navy - The Regional Commissioner stated that he had sent a letter to all P.C's. asking for the reaction to the recent proposal by the Italian Ministry of Marine to call up men in the 1923 and 1924 groups. Any objection on the part of P.C's. may also be registered. Reports are to reach this headquarters by 20 Sept, addressed to Staff Officer (B).

History - It was announced that HQ AC is preparing a press release on the accomplishments of AMG/AC from May 1st until the present. P.C's. are to forward a summary of the chief points of interest in their provinces for that period. These reports are to be of approximately 300 words and should be forwarded with the least possible delay to Staff Officer (B).

Civilian Officials - Citing instances in all provinces in which civilian officials, especially Sindaci, have not been properly appointed by the Prefect, the Regional Commissioner urged again that P.C's. make every effort to see that this situation is rectified as soon as possible. As was announced at the Regional Meeting of 27 Aug, a list of all principal officials is desired at this HQ. In the case of Prefects, Vice-prefects, Councillors, Provveditore agli Studi, Questore and Sindaci, the report must contain the name of the incumbent. In the case of other officials, such as Deputazione provinciale, Giunte Comunale, Heads of UPSEA, UPIC, the Consorzio, etc., all that is required is a statement that the post is filled by a properly appointed official.

4. Action to be taken

Legal - To send letter to PLO's, through the P.C's., explaining the functions of the epuration commissions under CC 35 and DDL 159.

Adjutant - To see that copies of the Gazzetta Ufficiale receive as wide a distribution to the Special Divisions as possible.

All P.C's. - a. To report every 48 hours on the progress made in the grain collection campaign. This report should be phoned to the Agriculture Division, Extension 157, and followed up on paper. It should be given as follows: a. Total collections for the 48 hours just ended, and b. Total collections for the campaign to date.

b. To forward history of about 300 words of the chief events of interest in their provinces to Staff Officer (B).

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

c. To give special attention to seeing that civilian officials are appointed by Prefectural decree, and that reports giving the names of the most important officials are forwardd to Regional Headquarters.

By order of Colonel THOMAS:

ROY E. BARONE
1st Lt, FA
Adjutant

DISTRIBUTION:

Regional Commissioner
D/Regional Commissioner
All Provincial Commissioners (2)
All Heads of Divisions
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Deputy Exec Commissioner, HQ AC
Civil Affairs Section, HQ AC (2)
Economic Section, HQ AC (3)
Public Relations Branch, HQ AC (3)
File

1099

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

SEP 10

HEADQUARTERS PIEMONTE REGION
ALLIED MILITARY GOVERNMENT
APO 394

Reference: 001. 5 Sept 45

Subject : Regional Meeting - 4 Sept 45

To : See Distribution

1. Provincial Commissioners

Cuneo - P.C. Cuneo reported that a French Liaison Officer and three other ranks are still operating at Tenda, and their removal is desired..... Information was requested regarding the Giunte at Tenda and Briga, where General Hume of 5th Army AMG had authorized a body of six officials, but whose population permits only four under Italian law. The Regional Commissioner will investigate..... P.C. Cuneo again requested a visit from a member of the Labor Division.

Alessandria - P.C. Alessandria reported that the Prefect of that province had returned..... Regarding the appointment of managers for Fascist factories, the P.C. was informed that such appointments must be made by the Italian courts. The appointments already made in Alessandria, since they are satisfactory to the P.C., will be regularized by these courts..... CC RR are in need of more vehicles and better arms. The Regional Public Safety Officer announced that the matter of providing arms is under discussion at a high level..... Literature for the Boy Scouts can be obtained from the Education Sub-Commission through the Regional Education Officer.

Novara - P.C. Novara reported that in spite of the fact that the Prefect has tendered his resignation, he continues in office and carries out his duties in a most efficient manner..... As the result of raids conducted in Novara for hidden caches of arms and ammunition, contraband as follows has been discovered; 1,000 rifles, 200 mortar shells, 30 heavy machine guns, 20 light machine guns, 400 grenades, 16 field telephones, 300 gallons of petrol and approximately 400,000 rounds of ammunition. Raids will continue whenever there is reason to believe that arms and ammunition are being concealed..... It is expected that schools will reopen in Novara by the end of September.

Torino - P.C. Torino reported that raids in his province have also brought to light a considerable quantity of arms, ammunition and equipment, including vehicles..... It was also reported that a car stealing racket is operating in Torino. The headquarters of the ring seems to be in Milan, where the racket has reached sizeable proportions. Its activities in Torino are being investigated.

Aosta - P.C. Aosta reported that a French Mission is also operating in that province and is the cause of considerable discontent..... An arms factory has been discovered in operation, details of which will be forwarded to the R.C. Ad Section.

Asti - P.C. Asti requested a uniform policy throughout the Region in the amassing campaign. Differences in sentences and prosecution between the various provinces is encouraging black market operations.

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Torino - P.C. Torino reported that raids in his province have also brought to light a considerable quantity of arms, ammunition and equipment, including vehicles..... It was also reported that a car stealing racket is operating in Torino. The headquarters of the ring seems to be in Milan, where the racket has reached sizeable proportions. Its activities in Torino are being investigated.

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Asti - P.C. Asti requested a uniform policy throughout the Region in the amassing campaign. Differences in sentences and prosecution between the various provinces is encouraging black market operations.

Vercelli - Nothing of general interest to report.

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

2. Special Divisions

Transportation - The Regional Transportation Officer announced that four Italian trucking pools are now in operation in the Region, but a change in the allocation of trucks to the provinces will have to be made because of the poor condition of the most recent allotment of vehicles, about 20 per-cent of which arrived in roadworthy condition..... Fiat has available some ¼ ton trucks, Topolinos and 1100's for sale to agencies or persons who need transportation.

Food - The Regional Food Officer announced that the food situation is bad, and will probably become worse. With the disappearance of fresh fruit and vegetables, there will be less and less to be had on the legitimate markets. At present, Torino and Aosta are living largely on AMG imports. Interest and activity on the part of the P.C's. in the grain amassing program was urged..... An allocation of sugar is expected this month.

Displaced Persons - It was announced that the Refugee Camp at Val D'Aosta is closing. The feeding of transients will be continued under the supervision of the Italian Red Cross..... The camp at Novara will be under an Italian manager after 1 October.

Legal - Although a tentative deadline has been fixed for AMG cases, it was not an order, and the Regional Legal Officer urged all P.C's. to instruct the Provincial Legal Officers to pursue all outstanding cases, especially those concerning carrying or concealment of arms. Prompt trials are urged, so that no AMG case will remain in balance at the time of the turnover.

Public Safety - The Regional Public Safety Officer stressed the importance of non-interference by Allied officers in the cases of prisoners held by Italian officials. Under no conditions will an Allied officer give an order to release or retain such prisoners.

Agriculture - The Regional Agriculture Officer announced that 288,000 quintals of grain have been amassed, approximately 27 per-cent of the expected yield.

Adjutant - A branch American APO has been opened at Milan which can be used by this unit. Packages to the U.S. are not to exceed 70 pounds in weight, nor to be larger than 100 inches in girth. The unit postal clerk will accept packages for mailing..... Advance notice of at least one day for Headquarters personnel and two days for provincial personnel is required in the preparation of travel orders..... Officers were again reminded that before departing on a trip they must obtain their orders from the Adjutant's office and sign the register..... P.C's. were requested to see that all personnel in the provinces see the daily Routine Orders. If more copies are desired to distribute in the provinces they can be obtained by notifying the Adjutant..... All were urged to see that Army postal facilities are not used by civilians.

HQ Commandant - Urged a closer guard be kept on official stamps, which have been used by civilians in forging permits, etc.

Industry - The coal situation is improving, with 13,000 tons allocated

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Industry - The coal situation is improving, with 13,000 tons allocated in July, 27,000 in August, and a promised 58,000 for September. The latter figure represents about one half of the normal industrial needs of the Region..... Coke is needed badly for the reactivation of Gas works.

Declassified E.O. 12356 Section 3.3/NND No. 783017

Commerce - The Regional Commerce Officer requested the names of the heads of the provincial Chambers of Commerce and UPIC's, so that the appointments may be confirmed by the Italian Ministry..... Regarding POL, it was announced that applications had been given the customary Petsec treatment, with the result that some provinces are to receive more than requested, while others, notably Torino, will receive far less than is required..... A plan for the collection and distribution of firewood has been drawn up by the Commerce Division and sent to the P.C's. A Commissario has been established at Torino, and it is recommended that this body be given legal status and made to accept the responsibilities.

Public Works - The Regional Public Works representative urged that every effort be made to acquaint Headquarters, A.C. with the necessity for reactivation of the gas works. In his opinion, because of a lack of gas, the people will use electricity to cook and heat, with a consequent overloading of the electrical systems. Cables and transformers which will be burned out as a result cannot be replaced..... P.C's. were urged to forward at once all urgent or necessary project bids, so that approval may be given before the closing of the Region.

Welfare - P.C's. were requested to instruct their Vice-prefects to prepare a list of all welfare institutions which will need coal..... The American Red Cross Civilian War Relief workers will withdraw before 15 Sept..... Regarding ambulance fees, the Welfare Officer announced that 20 lire per kilometer is a reasonable charge.

Patriots - The Regional Patriots Officer announced that signing and distribution of Alexander certificates have been completed in three provinces.

3. Comments by the Regional Commissioner

Personnel - The Regional Commissioner announced that redeployment of both British and American personnel is taking place on an accelerated scale. P.C's. were told that many of their officers will have to combine functions during the few remaining days.

Transportation - A letter was read from the Regional Motor Maintenance Officer which cited many instances of vehicles being out of commission because of carelessness on the part of the drivers. All present were asked to urge their drivers to exercise the utmost care in operating and caring for their vehicles.

Reports - The R.C. asked that the final monthly reports be as full and comprehensive as possible, since they will undoubtedly be conserved for historical reports at a leter date..... A final turnover report will be required by the R.C. when the ultimate closing date is known. This will not be a history of the particular province or department, but merely a concise summary of pending business which will require the attention of the liaison group which will remain in the Region. There should be little to report undone if P.C's. and Section Chiefs properly clean up their affairs.

1097

Payment Vouchers - The R.C. requested that in the future all authori-

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

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1097

Payment Vouchers - The R.C. requested that in the future all authorizations for payment of bills in excess of 10,000 lire which are sent to him for approval bear the prior approval of the initiating officer in the space provided on the voucher. The bills themselves should also bear the "O.K." and signature of the submitting officer.

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Confirmation - Death Sentences - Any Provincial Commissioner who feels that the continued failure of the Ministry in Rome to confirm any particular death sentence is a menace to public order in his province may present the details of these special cases to the Regional Commissioner for his action.

Amassing - The Regional Commissioner announced that Cremona troops will be available, about 20 or 30 to a province, to assist the civil police authorities in speeding up the grain amassing program. About 5 vehicles will be needed in each province to insure adequate circulation..... In the future, in addition to submitting the results of the grain collection campaign in figures, the Italian officials should be instructed to submit an additional statement as to what relationship this figure bears to the actual needs of the province. A statement to the effect that a certain province has amassed sufficient grain to last until a certain specified date will be of far greater use in planning for the future than the mere figure of total number of quintals amassed.

Italian POW's - The Regional Commissioner announced that the American and British governments are working on plans for the repatriation of Italian prisoners of war now being held in those countries.

4. Action to be taken

Education - Regional Education Officer to consult Town Major with a view to derequisitioning the schools at Alessandria as soon as possible.

P.C. Aosta - To provide R.C. with a report of the arms factory which has been discovered in operation in that province.

P.C. Vercelli - Food - Agriculture - To consult with a view to an exchange by the province of Vercelli of surplus rice for much needed seed wheat.

Provincial Legal Officers - To check all prisoners being held, making sure that all AMG cases are tried before our departure.

HQ Commandant - To prepare an order regarding the Wednesday and Saturday half-holidays.

Commerce - To make strong representation to HQ A.C. regarding the need for coal for the reactivation of gas works in Turin, pointing out the grave danger to the electrical system of the city if the people are without gas during the cold weather.

All P.C's. - To investigate fuel-wood situation. Learn who are the provincial representatives of the Commissario, and what they are doing, if anything, to expedite the collection and distribution program, especially as regards the needs of their own particular provinces.

By order of Colonel THOMAS:

ROY E. BARONE
1st Lt, FA
Adjutant

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

DISTRIBUTION:

Regional Commissioner
D/Regional Commissioner
All Provincial Commissioners
All Heads of Divisions
All Staff Sections
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section, HQ AC (2)
Economic Section, HQ AC (3)
Public Relations Branch, HQ AC (3)
File

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Chief Commissioners
HQ 7C

HEADQUARTERS PIEMONTE REGION
ALLIED MILITARY GOVERNMENT
APO 394

28 Aug 45

Reference: 201.

Subject : Regional Meeting - 27 Aug 45

To : See Distribution

1. Provincial Commissioners

Cuneo - P.C. Cuneo reported that a Russian Mission had appeared in his province for the alleged purpose of repatriating all Russians in that area. Advice was requested as to whether such Missions can be established without the approval of A.C. The Regional Commissioner will investigate..... It was also reported that Refugee Camps are being closed, and the P.C. asked what disposition is to be made of refugees who will be coming in in the future. The Regional DP&R Officer stated that they should be sent to the center at Moncaliere.

Novara - P.C. Novara reported that as the result of an investigation into the Questura, the Prefect had been prevailed upon to dismiss 6 unqualified and questionable division heads in that organization. This he did, but followed closely with his own resignation. The resignation was not accepted, and it is hoped that the Prefect can be prevailed upon to remain in office.

Alessandria - A Prefect problem also exists in the province of Alessandria, with the Prefect having been granted a temporary leave of absence until 1 Sept. The Prefect and Provincial Commissioner of this province will discuss the situation with the Regional Commissioner on 30 August.

Torino - P.C. Torino stated that strikes and other disturbances have in the past been handled by the Public Safety Division, but all were advised that in the future any disorder of sufficient importance should be reported to the Regional Commissioner for a report to A.C. Headquarters..... A Russian Mission also reported to P.C. Torino but were told that they could not operate until permission had been obtained from A.C. They have never returned, although it is alleged that at least four of their members have remained behind in the city of Torino.

Aosta - P.C. Aosta reported that, according to previous agreement, autonomy for the Val D'Aosta was to come into effect upon the departure of AMG, or before if AMG permits. The Regional Commissioner stated that any AMG permission must come from higher headquarters.

1095 - Asti - P.C. Asti requested that attention be given to the matter of confirming the death sentences of prisoners at present held in his province, stating that such confirmations would do much to sustain the actions of the civil officials. It was pointed out that each case must go to Rome for confirmation, and that because of poor communications, the investigations often take what seems to be an unreasonable length of time. The matter was re-

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Vercelli - P.C. Vercelli reported that many applications for publication of newspapers have been received and submitted to the Allied Publications Board, but as yet no reply has been received. It is hoped that an early meeting with the APB representative for the area will expedite the procedure. The Regional Commissioner cautioned the P.C's. that it is not within their power to authorize a publication, although the application to APB maybe accompanied by their recommendations. Consultation will be had with Mr. Ellison, the APB representative in Turin.

2. Special Divisions

Patriots - The Regional Patriots Officer announced that all P.C's. have been sent copies of a recent Patriot Directive issued by A.C. Headquarters..... It was also announced that in the future all ex-partisan matters and problems, including the operations of ANPI, will be the responsibility of the Prefects..... The remaining work on bonuses, preparation of Alexander Certificates, etc., is expected to be finished by the end of the month.

Company "S" - The Company Commander of Co."S" announced that the American PX issue will be late due to the closing, without notice, of the PX warehouse at Modena. The PX ration will be drawn from Verona and distributed as soon as possible.

Displaced Persons - The Regional DP&R Officer stated that 2000 POW's are being repatriated from the north each week. It was announced that in most of the camps there are now Italian managers who are ready to take over when AMG withdraws.

Public Health - The Regional Public Health Officer announced that P.C's. will be informed of the final distribution of drugs..... A 100 percent increase in typhoid fever was reported. This was referred to the R.P.H.O. for investigation and report.

Telecommunications - The Regional Telecommunications Officer announced that authority for telegraph and telephone communications for all of Italy, including the Venezia-Giulia area, has now been granted. A limited international service has also been established..... Regarding the poor quality of the service between Turin and Rome, it was stated that boosters are being installed where possible.

Public Safety - The Regional Public Safety Officer announced that two mobile units of CC RR are about to begin operations in the Region. The Carabinieri are also to be equipped with better weapons..... Raids are continually being staged in an effort to uncover hidden stores of arms and ammunition, and whenever possible, P.C's. are informed of an imminent raid. In some instances, however, "snap" raids must be made on very short notice, and in such cases the Procincial Commissioner concerned will be notified immediately thereafter.

Industry - Industry in the Region is being hampered by lack of raw material and coal. The present coal allotment represents only about 25 per-cent of what is needed to reactivate industry.

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Finance - The Regional Finance Officer expressed the opinion that AMG will eventually be blamed by the Italian Government for the inflationary state in which the country will find itself. In this regard all were asked to keep a close watch over expenditures made by civilian officials, especially unauthorized increases in salaries, bonuses, presents, etc. All such expenditures must receive the approval of A.C..... All P.C's. and Heads of Divisions were asked to give special attention to the matter of cleaning up outstanding bills before the closing of the Region.

Agriculture - The Regional Agriculture Officer stated that a new slaughtering decree is about to be issued stating that farmers must slaughter 15 per-cent of their bovine stock, unless they have three animals or less. This decree will seriously affect the building up of herds, but since it must be followed, every effort should be made to see that the meat which will be available finds its way to the legitimate markets..... Citing facts and figures, the R.A.O. deplored the results of the amassing program in the Region to date. More interest on the part of AMG officers and closer supervision of the work in each province was urged. More police control is to be desired, with special attention given to the larger producers.

Public Works - The Regional Public Works Officer stated that difficulty is being experienced in the matter of public works contracts. Contracts for various projects have been let, but the contractors now find that materials cannot be bought for the prices which prevailed when the contract was made. In the absence of any control over prices, work is proceeding, with supplementary contracts being drawn up in cases where material cost is higher than had been anticipated.

Food - The Regional Food Officer announced that too much attention cannot be given the amassing program, since there is no provision made for organized importation of flour to Piemonte Region. Prior to the occupation of the Region, A.C. plans, based on the fact that the Region had always been self-sufficient, made no provision for importing grain after 1 Aug.

Transportation - The Regional Transportation Officer announced that Sig. Sofia has been appointed Regional Transport Officer when AMG leaves the Region. Sig. Crecnti, or any organization which he represents, will not be recognized..... P.C's. were asked to keep a roster of all their civilian cars, with thought given to the order in which they are willing to sacrifice the vehicles for de-requisitioning purposes.

3. Comments by the Regional Commissioner

Weekly Meetings - The Regional Commissioner announced that meetings between Heads of Divisions and Provincial Commissioners would be weekly affairs in the future. The purpose is not to obtain verbal reports of the week's activities, but to bring all P.C's. and Heads together to coordinate activities and make on-the-spot decisions on matters which might otherwise require lengthy correspondance.

Transportation - Anyone having civilian vehicles on loan or on any other unofficial arrangement, should prepare to return such vehicles at once ..... The R.C. requested that the "Safe Driving Campaign" be brought to the attention of all drivers in the Region.

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Civilian Officials - It is the wish of the Regional Commissioner that this office be supplied with a list of all civilian officials in the provinces who have been properly appointed by Prefectural Decree. In the case of Prefects, Vice-prefects, Provveditore agli Studi, Questore and Sindaci, the names of the incumbents are desired. In the case of other officials, Deputazione provinciale, Giunte comunali, heads of UPSEA, UPIC, the Consorzio, etc., all that is required is a statement that the post is filled by recognized appointment.

Personnel - The R.C. announced that an extra day off per week is now permitted military personnel. P.C's. and Heads of Divisions were urged to take arrangements so that all may benefit..... It was also urged that some responsible English-speaking person be present in all provincial headquarters during the normal office hours to take urgent messages which might come over the telephone.

Fuel Program - All possible attention and aid on the part of the Provincial Commissioners was urged in facilitating the collection of wood for use during the coming winter. P.C's. can help most in the matter of providing as much transport as possible for this purpose.

CLN - The Regional Commissioner asked to be advised of any instance of interference by any person or body in matters of administration or policy. Reference was made especially to the Committee of National Liberation, whose powers have long since ceased in any Region governed by AMG, but who continue to be a source of annoyance in some instances. Strong action must be taken to remind this organization that its capacity in Piemonte Region is strictly of an advisory nature, and only when advice is sought.

Monthly Reports - Monthly reports for August should be submitted by 1 Sept. If a full report cannot be given by that date by Section heads, a concise summary of important points may be submitted.

Time of next meeting - The next Regional Meeting will convene at 0930 hours, Tuesday 4 Sept, in Room 324 at Regional Headquarters.

4. Action to be taken

Regional Commissioner - To investigate status of the Russian Mission which has been appearing in the provinces.

Transportation - R.T.O. to see that all vehicles which were improperly requisitioned or "borrowed" by officers of the Region are returned to their owners.

Legal - Public Safety - To prepare a list of prisoners at present awaiting confirmation of death sentences, stating what action has been taken in each case.

Welfare - The Regional Welfare Officer to submit plans and recommendations for a winter welfare program.

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Commerce - a. Regional Commerce Officer to consult with Regional Commissioner re wood collecting program.

b. R.C.O. to acquaint himself with the results of the meeting of Industrial heads at Milan.

All P.C's. - a. To pass on immediately to this HQ any information of hidden caches of arms or ammunition.

b. To see that all outstanding bills are paid as soon as possible.

c. To stir up UNRRA officials and provincial police agents with a view to improving the amassing of wheat.

d. To investigate their Genio Civile offices in an effort to have public works projects submitted for approval before the departure of AMG.

e. To submit monthly reports to this HQ by 1 Sept.

By order of Colonel THOMAS:

JOHN N. LUCIUS
Major, AUS
Exec St O (A)

DISTRIBUTION:
Regional Commissioner
D/Regional Commissioner
All Provincial Commissioners
All Heads of Divisions
All Staff Sections
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section, HQ AC (2)
Economic Section, HQ AC (3)
Public Relations Branch, HQ AC (3)
File

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

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

9 August 1945

MEETING BETWEEN ITALIAN GOVERNMENT AND REGIONAL COMMISSIONERS, AFHQ, AND ECONOMIC SECTION, ALLIED COMMISSION HEADQUARTERS, ROME, 13 JULY, 1945.

Present:	Allied Commission	Italian Government
	Rear Admiral E.W. STONE, Chief Commissioner	Prof. FERRUCCIO PARRI, Prime Minister
	Brig.-Gen. E. B. McKINLEY	Prof. GIOVANNI GRONCHI
	Brigadier M.S. LUSH	Avv. MARCELLO SOLERI
	Brigadier C.R. UPJOHN	Prof. MEUCCIO RUINI
	Brigadier D.L. ANDERSON	Avv. FAUSTO GULLO
	Colonel NORMAN E. FISKE	Avv. ENRICO MOLE
	Colonel C.W. WALTON	Sig. GAETANO BARBARESCHI
	Brigadier J.K. DUNLOP (Venezia)	Dott. EMILIO LUSSU
		Ing. GIUSEPPE ROMITA
	Brigadier MATTHEW CARR (Liguria)	Dott. UGO LA MALFA
	Colonel FLOYD E. THOMAS (Emilia)	And other representatives of Italian Government Ministries.
	Colonel CHARLES POLETTI (Lombardia)	
	COLONEL C.R. BIRCHETT (Piemonte)	
	Directors of All Sub-Commissions of Economic Section, Representatives of American and British Embassies, and Representatives of other interested Sub-Commissions, Branches and Sections of Allied Commission.	

1. Admiral Stone opened the proceedings by welcoming the President of the Council of Ministers, Signor Parri, and his fellow Ministers of the Italian Government.

2. Prime Minister Parri greeted the Regional Commissioners and paid a tribute to the collaboration and comprehension of Admiral Stone and the Allied Commission.

10. MILAN AGREEMENT OF 8 JULY, 1945.

Minister Ruini reported the decision taken at the meeting of 8 July, 1945 at MILAN between Italian Ministers and representatives of the various interests affected, to extend to the North of Italy the general terms of the MILAN Agreement of 23 June, for the payment of a contingency bonus. He reported the decision of the Italian Government to assist through the Cassa Integrazione in the payment of 75 percent of total pay, including contingency bonus, to unemployed industrial workers of those working reduced hours for

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

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Italian Government

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/will have arranged. .

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will have arranged for a larger amount of employment for those workers who are now surplus in industry. The reactivation of industry and the diversion of a certain amount of surplus workers to public works and to agriculture should make a serious contribution to this problem. It will be necessary to decide before 30 September 1945, the measures to be taken with regard to those who on that date will still be unemployed, and it will be necessary to consider whether the ban on discharges from factories can be lifted.

B. FUTURE POLICY TOWARDS WAGE INCREASES.

(a) AMG policy and procedure for regulating wage changes in the North of Italy, which had been agreed with the pevious Italian Government, was outlined and the Italian Government were asked to indicate the extent to which they were in agreement therewith.

Ministers Ruini and La Malfa, on behalf of the Italian Government, confirmed that, while the normal procedure would be for the free negotiation of increases of wages to be conducted by the two parties principally concerned, it would be necessary in the particular circumstances of the moment for the third party to intervene, namely, the Government as coordinator of the economic order. Accordingly the Italian Government supported the policy by which AMG reserve the right of approval of wage changes and invited AMG to give effect to the decision to extend the general principles of the MILAN Agreement of 25 June throughout Northern Italy, but to withhold approval and to refer to ROME proposals exceeding the limits of that Agreement.

Minister Gronchi emphasized the necessity of a central examination of wages questions to avoid local agreements in the various Regions and to coordinate proposals into a uniform policy for the whole of the North of Italy. He indicated that the parties concerned in such unification would be representatives of the Central Government, representatives of organized labor, and the Central Economic Committee of the CLNAI.

Minister La Malfa agreed with the necessity of central regulation of the general level of wages in Northern Italy. It was pointed out that the extension of the MILAN Agreement applied so far only to industry and that its further extension to commerce and agriculture would have to be studied.

The Italian Government agreed that a joint pronouncement should be made publicly on the necessity of continued control and regulation of wage changes in the North of Italy.

Minister Soleri confirmed the decision to subsidize from the Italian Treasury the Cassa Integrazione for the purpose of operating the MILAN Agreement. Replying to questions raised by Brigadier Carr and representatives from LIGURIA, Minister Soleri indicated the action proposed by the Italian Treasury to assist

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be lifted.

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/of the credits that . . .

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of the credits that such firms may have with the Italian Government for work performed up to the 8th of September, 1943. He also referred to the proposal of the Italian Government to grant to State and para-statal employees in the North of Italy, the full benefits of the wage agreements applying to such employees in the Center and South of Italy, such application to be retroactive to the 1st of May, 1945 on the understanding that indemnities and advances already granted should be absorbed by this action; that there should not be an additional grant of liberation bonus; and that no further increase in wages should be granted when on the 1st of August bread is allowed to reach its economic price.

At this point Prime Minister Parri, before leaving the meeting, asked that consideration be given to the claims of State workers for increase in wages; and indicated the desirability of granting an increase in rations.

Brigadier Lush drew attention to the difficulties attending any proposal to increase rations and stated that favorable consideration would, however, be given to the possibility of re-distributing the general ration or re-arranging the issue of the supplementary rations. Minister La Malfa pointed out that the Italian Central Government was compelled, for political reasons, to consider the unification of the economic system of Italy as between the North and South; and that it would be effected as soon as possible as regards prices, rations, and wages. The desire of the Italian Central Government is to achieve stabilization in these respects as soon as possible, and particularly to avoid further increases in wages once uniformity between North and South has been achieved.

Colonel Thomas (EMILIA Region) referred to the necessity of clarifying the wages position in agriculture. Minister Gullo indicated the action taken by the Italian Government and to the study of the agriculture problem which is now proceeding.

Colonel Monapace referred to discontent on the part of bank employees and it was decided, after discussion, that the agreements reached on this subject in MILAN should, in general, be applied to bank branches throughout Northern Italy.

C. LEGISLATION FORBIDDING DISCHARGES AND AUTHORIZING OPERATION OF CASSA INTEGRAZIONE.

10 AG Reference was made to AMG General Order No. 48 which was based upon an agreement made between the Italian Government and HQ AC and provided for a ban on discharges in industry and the operation of the Cassa Integrazione with subsidy from the Italian Treasury up to 31 July. After discussion it was agreed that General Order No. 48 should not be promulgated in view of the material change of circumstances contained in the decision to apply to the North of Italy the general principles of the MILAN agreement of 25 June 1945 and to continue the assistance from the

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/that the Italian Government. .

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that the Italian Government would make an Italian Decree covering the necessary points, to be issued at the earliest possible moment; and that in the meantime advance instructions would be issued to the Providenza Offices to be ready to make the necessary financial advances.

D. DIVERSION OF UNEMPLOYED TO GAINFUL OCCUPATIONS.

Minister Ruini referred to the activities of the Inter-Ministerial Committee for Reconstruction with a view to reactivating industry, developing public works and diverting unemployed workers to agriculture. The proposals include the encouragement of the formation of labor companies by industrial firms having surplus labor, such labor companies to perform reconstruction and public works while at the same time safeguarding the retention of their normal employees by the firms concerned.

Colonel Birchett referred to the problems of Piemonte Region and to the difficulty of persuading skilled industrial workers to undertake public works. These difficulties were recognized by Minister Ruini who stated that workers would have to be prepared to undertake work outside of their normal occupations.

Reference was made to the shortage of transportation and to the necessity of providing coal to enable industry to be reactivated. Brigadiers Lush and Anderson emphasized the importance of an adequate contribution up to the maximum possible from Italian coal fields. Minister Gronchi referred to the improved output in Sardinia since Sardinian coal mines came under the control of the Italian Government; and pled for a supply of coal from outside sources.

Minister Barbareschi, in reply to questions as to policy of the Italian Government regarding surplus workers in industry, stated that it was hoped to divert to public works those workers now temporarily unemployed but to avoid the permanent loss to industry of those workers who would be required when industry was fully reactivated. It is the intention, however, of the Italian Government to remove from industry in due course the labor which will eventually be declared surplus, such labor being transferred to agriculture or to public works and other works of a permanent character. Minister Barbareschi undertook to make it clear in the proposed Italian Decree that workmen who do not accept offers of suitable employment will lose the right to continue receipt of pay.

Colonel Thomas (Emilia Region) made a special plea for the appointment of a special commission for the Emilia Region which had suffered exceptional destruction in the battle field area and which was affected by the continued presence of considerable numbers of mines. Such a commission would be concerned also with the housing problem, communal feeding problem, mines problem and a program of public works. Minister Ruini undertook to give special consideration to the proposed establishment of a special commission for Emilia Region.

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/E. SUMMARY OF DISCUSSION.

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E. SUMMARY OF DISCUSSION WITH RESPECT TO FOOD MATTERS.

Minister Soleri raised the problem of the price of wheat and outlined the Government's policy. The price of wheat would remain at the same level as last year, i.e. 1,000 Lire per quintal for hard and 900 Lire for soft wheat. He went on to note that 750 Lire per quintal had been fixed by AMG in the North. The price of bread should be uniform throughout the Kingdom and taking into account minor local differences, it should work out at between 16 to 18 Lire per kilo.

Col. Legge observed that he had only just been handed the Government's proposals and therefore had had no time to study them. He went on to outline AC's position in the matter. It was clear that the Italian Government wanted a uniform price of bread for the country as a whole. So far as the AC is concerned, steps are being taken to establish an economic price of bread in the North, and he commented on Minister Soleri's suggestion that the bread ration might be increased by observing that the deficiency in cereals from the current period to next harvest was such that difficulty might be encountered in maintaining present ration scales.

The uniform national price of bread was a matter for discussion with the Italian Government. It was the policy of the AC to unify ration scales throughout Italy on a basis of the 300 gram bread ration, but in deference to an urgent recommendation from both the Italian Government and the Central Economic Committee of the North, the ration scales in the North had been maintained pending further discussions, despite the fact that the per capita consumption of the North exceeded that of the South.

Negotiations are now in progress with the Italian Government for the unification of ration scales on a basis of redistribution of the present ration scale. Minister Mole then drew attention to the bad state of the Amasso and went on to the question of the price of bread. Although the price of wheat was different in North and South, after all considerations of milling, transport and the use of imported grain had been taken into account, the price of flour in North and South was almost the same.

It had been decided therefore to establish a price of 16 to 18 Lire per kilo for bread throughout the country. He confirmed that discussions were on foot for the unification of ration scales. General McKinsly replying to Brigadier Lush said that the negotiations were aiming at bringing the new price of bread into effect as from the 1st of August.

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Mr. Stauffer stressed that the new price of bread should be effected as from August 1 and outlined the reasons for this. Brigadier Grafftey-Smith pointed out that the price of bread [illegible] as it was

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1032

Mr. Stauffer stressed that the new price of bread should be effected as from August 1 and outlined the reasons for this. Brigadier Graffety-Smith pointed out that the price of bread should be raised before implementing Decree 116 as it was obviously better to raise the price of bread and then raise salaries rather than vice versa.

/Minister Barbareschi. . .

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Minister Barbareschi wanted a slight increase in rations at the same time as the price of bread was put up, even at the expense of supplementaries. He stated that no pasta had been distributed in the North for some months. Col. Legg answered Minister Barbareschi that it was conceivable that in the very early days of the occupation, there may have been an intermediary period when, owing to lack of transport and the general confusion left by the Germans, the low ration scales then extant were maintained, but that subsequently trucks were making a turn-round of a five day journey to feed the large cities of Genoa, Milan and Turin, and that a fat ration of 500 grams had just been issued (equal to two and one-half months ration in the South).

Latest reports from Regional Commissioners were that ration scales as laid down were being fully implemented. Rice and Polenta were, of course, being used as substitutes for pasta in those localities where this was the ordinary procedure. Mr. Miranda complained that the proposed rise in the price of bread would cause trouble and demands for an increase in wages.

Col. Legg in reply to a question from General McKinley said that it would mean in fact an increase of 3 to 4 Lire per head on the present ration scales. Minister Soleri reiterated that the new price of bread should come into force on August 1. Mr. Sachs then reviewed the policy of the Labor Sub-Commission, Decree 38, which established the price of bread in the South and carried with it a caro pane indemnity. Decree 116 increasing the wages of Government employees includes an indemnity specifically abolishing the caro pane indemnity previously awarded.

The Milan Agreement for the increase of workers' wages amply covered the extra cost of bread while the general order which would be published, raising the price of Bread in the North, would contain a caro pane clause covering paupers, pensioners, etc. The new price of bread was therefore taken into account for practically all classes and that no further wage increases should be made to compensate for an increased price in bread. Minister Soleri emphasized that the caro pane indemnity ought to apply only to paupers, pensioners, etc. Minister Rumi said that the rise in the price of bread was not understood to be taken into account in the recent rise in wages and that there might be trouble. He urged that the rations should be increased and on Brigadier Lush asking where the food was to come from, he replied preferably by increased imports or alternatively by readjusting the ration scales.

F. TRADE BETWEEN THE NORTH AND THE SOUTH.

Minister Gronchi stated that the implementation of the ANIC and the Industrial Committees should enable the Italian Government to follow a national price policy, dependent upon having available finished goods. The effectiveness of the A/M organizations depends upon movement of finished goods from the North and raw from the South. These in turn are dependent upon transportation which is in serious difficulties. Minister Gronchi requests

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/He further requested. . .

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He further requested that the salvage organization, URRIT, have made available to it the captured goods which have been subjected to considerable withdrawals by Allied Army Organizations.

Mr. Serrafini pointed out the difficulties of operating in the North because of the "5 - Regional" concept and the autonomous tendencies of Prefects. He stated that the work of the Committees in Lombardia is effective, but is not effective in other Regions. He expressed the desire that the Prices already established in Lombardia should cover all North Italy.

Colonel Poletti stated that the Price Committee had done a good job and had transmitted prices to him. However, he had not acted on these prices, pending directives from AD headquarters.

Minister Gronchi requested that there be an Allied directive on over-all Price Policy.

General McKinley asked Minister Gronchi if he had any objections to the plan dated 9 July 1945, as published. At which he replied that he was in entire accord with the plan.

General McKinley stated that the draft of the plan forwarded to Regions informally by Colonel Poletti is, in effect, the final plan as sent out by this Headquarters.

Minister Gronchi stated that he would be President of NIIC and that Professor Uggo would be President of the Price Committee.

General McKinley stated that with the choice established, it would now appear that an orderly procedure could be undertaken as to the determination of prices.

Colonel Birchett (Lombardia Region) brought up the question of arbitrary action by the Lombardia committees with respect to Piemonte manufacturers. It was then explained that with the establishment of the organization over all of North Italy, this objection should have been removed.

G. PRICE POLICY.

1037

Minister Gronchi pointed out that prices would be controlled on:

a) public service articles,
b) medicine, textile items, and
c) industrial products where control of raw materials is

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G. PRICE POLICY.

1087

Minister Gronchi pointed out that prices would be controlled on:

a) public service articles,
b) medicine, textile items, and
c) industrial products where control of raw materials is feasible.

He then stated that price control on semi-finished products, traded between producer and producer would have to be based on further studies.

The Minister agreed to General McKinley's concept that no general price control should be undertaken unless enforcement is practicable through management.

/ It was pointed out. . .

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It was pointed out by General McKinley that nothing so far said could have any effect upon AFIRS control of restricted items.

It was clarified for Colonel Poletti that the forward AC representative would act with the MMIC but that the AAG would be expected to see that plans were carried out in accordance with announced policies.

General McKinley ended with the statement:

> "I think we have had a very successful meeting and I think the government feels closer to the Regional Commissioners and to us on account of it. I know we feel closer to them. I want to thank all for their participation and their perseverance."

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Chief Commissioners HQ AC

JUN 30 REC'D

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 394

Reference: RIX/HQ/C/1/3 — 25 June 1945

Subject : Regional Meeting - 23 June 1945

To : See Distribution

1. Absentees - Lt MacNabb, Lt Ash.

2. Provincial Commissioners

Bologna - P.C. Bologna stated that he favored discontinuance of the curfew regulations in Bologna, and requested the views of Public Safety and of the other P.C's. The Regional Commissioner stated that as far as Army is concerned, the curfew regulations ceased to exist long ago, but that power to enforce curfew rules was left with Areas and local military commanders. The Regional Public Safety Officer stated that he favored continuance, since it afforded an excellent excuse to stop both civilians and military personnel, who might be guilty of other offenses which would then be discovered. The R.C. announced that there would be no Regional ruling, but that Provincial Commissioners might act on behalf of their provinces, after having considered the question from the Public Safety angle, and after consultation with military units in their respective areas..... Regarding the position of the Epuration Commission acting upon the question of blocked accounts, P.C. Bologna was advised by the Regional Finance Officer that the Commission has no such authority. These decisions are reserved for the Provincial Finance Officer..... The posting of General Order No.40 raised a question in Bologna, since there is no provision therein for grain to be sold to the so-called "transient agricultural class", who previously have always had the right to buy grain and do their own milling. The Regional Agriculture Officer stated that any exclusion of such classes in General Order 40 is intentional, and that Rome has advised that anyone not specifically covered by the Decree must have a ration card. .... The recent census of vehicle needs in Bologna Province reveals that there are 3,260 vehicles, in eight categories, which are considered essential to the proper administration of the province. P.C. Bologna stated that the POL allotment for the province is insufficient to take care of such a number of extra vehicles. The Regional Economics & Supply Officer stated that cars should not be licensed according to classes, and further that no vehicle which is, or ever has been, converted for operation on methane gas, can receive an allocation of POL. There is sufficient methane gas now, and vehicles must either use it or they may not be licensed. .... It is the opinion of P.C. Bologna that the shortage of Provincial Officers in Bologna Province renders impossible a strict adherence to General Order No.29, in which it is stated that declarations of stocks and supplies must be made to "the officer in control or an agency designated by him". P.C. Bologna requested that this order be revised to permit designation by other officers, especially P.C's. The Regional Commissioner directed that Provincial Commissioners cause Italian agencies to be designated pursuant to the order and that, in the case of grain, this agency always be the Consorzio Agrario.

Modena - P.C. Modena inquired as to the possibility of appealing decisions which might be made by the Epuration Commissions under General Order No.35. The

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Regional Legal Officer stated that the findings of the Epuration Commission acting under General Order 35 are not judgments, but merely suspensions. The "judgment", properly so called, is pronounced from Rome under DI. 159, under which a prisoner does have the right to appeal. But those proceedings in effect provide a "second hearing", not unlike an appeal from a practical standpoint.

Reggio-Emilia - P.C. Reggio stated that the phrase "... those who have collaborated in any way ...." as used in General Order No.35, is too inclusive. The Regional Legal Officer urged that the Commissions familiarize themselves with the instructions which were issued to them. This question is specifically answered in these instructions, as are many others which reach his office through the mails..... P.C. Reggio was told that his request for additional N.C.O's. in the CC RR is unlikely to be filled at the present time..... The removal from the province of Reggio-Emilia of a Communist leader who is a disturbing element was requested by the P.C. Reggio. The matter is delicate, but it is believed that sufficient evidence can be produced to persuade Army to take action against the man, as a menace to public security.

Parma - Refugees bound for La Spezia are presenting a problem in Parma, and the P.C. is anxious to have them moved. The Displaced Persons Officer advised that the 600 at present in Parma should be returned to the Refugee Camp at Modena for processing and transportation..... P.C. Parma reported that there is considerable interest in Parma in the Boy Scout movement, and requested a visit from the Regional Education Officer for aid and instruction regarding the formation of units.

Piacenza - P.C. Piacenza asked for advice regarding the halting and searching of a train bound for Genoa, which civilians are using to transport large quantities of foodstuffs from Piacenza. Both Public Safety and Legal Divisions stated that the search can be made, and legally, under Proclamation No.1. .... During the week 300 people gathered in the square at Piacenza and staged an orderly demonstration for higher wages. P.C. Piacenza has submitted a request for an adjustment in wages to the Regional Labor Office. For information only, it was stated by the Asst. Regional Labor Officer that private wages could be adjusted to the Bologna level, i.e., 150, 165 and 180 lire per day for unskilled, semi-skilled and skilled workers respectively, by the Provincial Commissioners themselves. This information is verbal, allegedly received by the Regional Labor Officer, and the Regional Commissioner cautioned that no such adjustments should be made until written confirmation is received..... P.C. Piacenza read a letter received from a citizen embodying congratulations on the work of AMG to date, a few constructive criticisms and the wish that our stay here would be long and happy.

Forli - P.C. Forli stated that it is the opinion in that province that ENAC transportation rates are too high. He desires to lower the rates, inasmuch as General Order No.42, in which they are set forth, does not apply in that province. The Regional Transportation Officer stated that, according to a telegram from A.C. Headquarters, these rates are to apply in all of Italy. The Regional Commissioner stated that the ENAC rates are maxima, and the Provincial Commissioner may establish rates 25% less unless he receives contrary instructions from the Regional Transportation Officer..... It was disclosed that the Sindaci of 50 communes in Forli province had met, and as a result of some discussions, road-blocks appeared in three towns. The Regional Food Officer stated that free movement is

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now permitted except in the cases of certain specified items. Road blocks may be set up, but this should not be done on a communal level, and Provincial Commissioners should keep a close check to avoid abuse.

Ravenna - P.C. Ravenna was advised that the present laws governing the distribution of crop proceeds ("Mezzadria") must apply until the Italian government declares otherwise. The basis of division may not be altered on a provincial or communal level.

Ferrara - P.C. Ferrara asked if German prisoners could be used in mine clearance work. The Regional Economics & Supply Officer stated that it is one of the conditions of the surrender that they must give the locations of mine-fields and aid in collection..... Regarding the price to be paid for stocks of grain which were witheld from the last ammasi, the P.C. was advised by the Regional Agriculture Officer that the farmers stood to gain by surrendering it now, since the new price of 750 lire applies to any grain handed in after 13 June..... P.C. Ferrara was advised that any vehicles abandoned by the enemy at the Po in "A.C. territory" are controlled by the War Disposal Sub-Commission..... The Provincial Commissioner asked that an engineer officer visit Ferrara for a few days to study the public works problems in the province..... The Bonifiche at Ferrara are hampered by lack of coal, petrol and diesel oil. The Regional Economics & Supply Officer stated that the province received 500 tons of coal per month, from which the needs of Bonifiche should be met. The Regional Commerce Officer stated that he felt that requests for petrol and diesel oil would be favorably considered by Petsec, in view of the possible malaria hazard which exists in the present flooded zones..... The Provincial Commissioner of Ferrara stated that Consiglieri were still needed, but was told that the positions would probably have to be filled locally, since the central Government is slow in filling requests for officials, and the personal history of one who did arrive recently indicates that the screening in Rome leaves much to be desired.

3. Special Divisions

Commerce - The Regional Commerce Officer handed an outline of a proposed salvage scheme to the Provincial Commissioners and invited their criticisms. A revised plan will result which is hoped to facilitate the gathering of immense quantities of scrap materials at present in the Region.

Food - Regarding the much-discussed grain surplus in Ravenna, the Regional Food Officer stated that 3,000 quintals in an inaccessible spot is to be distributed. All other remaining grain is to come to Bologna Province, where it is badly needed. A great deal has already been shipped out of the Region..... Inter-provincial trade has been encouraged in the Region, but it was announced that both the Food Sub-Commission and 5th Army have ordered the export of certain commodities. At present this order affects meat in Parma and tomato paste in Piacenza..... Due to pressure of work and the shortage of personnel in the Food Division, communications from the Food Commissioner (Italian) to provincial civilian officials will be sent direct. Close liaison is therefore urged between Provincial Food Officers and Sepral officials.

Education - The University of Bologna is operating. The University of Modena was opened by the Regional Commissioner last Monday.

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Public Safety - The Regional Public Safety Officer stated that when CC RR are shifted from one commune or province to another, it must be expected that those received may not be of the best quality.

Displaced Persons - Medical supplies have been ordered for use in the Refugee Camps.

Red Cross - The representative of the American Red Cross requested tires for the use of the Italian Red Cross.

Patriots - The Regional Patriots Officer stated that General Cadorna had issued a decree ordering the dispersal of all Patriots forthwith.

Agriculture - The Regional Agriculture Officer stated that owners of threshing machines in Bologna had received orders to turn them over to the workers. It was further stated that the CLN is issuing many such orders, but it has never been possible to find the actual signers.

Telecommunications - The Regional Telecommunications Officer stated that all German telephone equipment is controlled by Army, and should not be touched.

Postal - The Regional Postal Officer announced that postal rates will be the same as those in the south as of 1 July.

Economics & Supply - The Regional Economics & Supply Officer announced that his Division had taken action against the province of Modena in an effort to end the insular activities of civilian economic agencies in that province. It was announced that the Prefects and Sepral agents of the entire Region convened at this Headquarters two weeks ago and had the position of AMG explained clearly to them. At this meeting there was considerable protest on the part of the Italian officials, but it was felt that all departed with a clear understanding of the position and intention of the Economics & Supply Division of this Headquarters. Modena, however, has repeatedly failed to cooperate in any plan of inter-provincial mutual assistance. It has been learned that this province has been dealing directly, on an exchange basis, with Turin and Milan; that a warehouse which should contain 20,000 quintals of grain actually is empty; that considerable export of pigs and cattle has been taking place; and that sellers have paid no heed to price instructions. A directive has therefore been issued by the Economics & Supply Division which will cancel the allotment of soap, olive oil, rice, copper-sulphate, fertilizers, binder twine and insecticides immediately, and supplies of POL as of 25 June. Decision as to the allocations for July is reserved by the E.& S. Division. It is further stated that if instructions from unauthorised sources continue to be followed, upon those agencies will rest the responsibility if the province does not receive its allotment of imported articles. Objections were raised by certain Heads of Divisions, who stated that the plan would affect their work, but it was generally agreed that this action should prove effective. The Regional Commissioner agreed that the prosecution of the plan may have an occasional regrettable consequence, but it is just such consequences which are expected to strengthen our hand. It is not proposed to punish the majority for the actions of a minority, but it is felt that when this action has been publicized, the majority will demand and receive from the few who are responsible a more loyal and democratic representation.

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4. Comments by the Regional Commissioner

Administration - The Regional Commissioner prefaced the meeting with a few remarks regarding provincial administration, and expressed the hope that each provincial Commissioner would endeavor to have everything functioning smoothly in preparation for the handover to the Italian Government. It is regretted that there are many Sindaci in office in some of the communes who have not been properly appointed by Prefetti reggenti, but this is not surprising in view of the skeleton crew of Provincial Officers who have been at work in the provinces. A board has been set up in the office of the Regional Commissioner with the names of all of the most important civilian officials. P.C.'s were asked to check this roster, and keep it up-to-date each week by submitting the names of any newly--appointed officials or replacements.

Electoral lists - The Regional Commissioner announced that electoral list material and instructions to Prefects have been sent to the provinces. It is the responsibility of AMG to distribute this material to the communes, but the Prefect is charged with any action required on the lists themselves.

Reports -Monthly reports for June will be brought to the Regional Meeting on Sat., 30 June. Sitreps for this week will not be required. P.C's. will also bring their efficiency report forms on American Officers to this meeting.

Communal elections - The Regional Commissioner announced that he had received a letter from the Civil Affairs Section, A.C. HQ, pointing out that elections are forbidden in AMG territory. The letter was occasioned by the publicity which was given an election held in the commune of Montiano, province of Forli. In this case the choice of the CAO and the result of the election were in favor of the same individual, and whereas the official appeared to have been elected to office , he was, in fact, duly appointed to office, in conformity with AMG instructions in such matters. P.C's. were warned, however, that election are not to be held while territory is still under Allied Military Government.

Mine Clearance - It has come to the attention of the Regional Commissioner that the Mine Clearance squads have been establishing their priorities according to the private compensation which they can extract from individuals. P.C's. were warned that such cases are to be reported immediately to Public Safety.

Transport - Cases have been reported of civilian drivers taking advantage of their position by using transport for their own personal business or pleasure. The Regional Commissioner reiterated that Heads of Divisions are responsible for the cars assigned to their Divisions and announced that he is instituting a check-up campaign in an effort to curb this offense.

5. Action to be taken

a. All P.C's. (i) To bring their monthly reports for June to the Regional meeting on 30 June.

(ii) To bring efficiency reports on American officers to Regional Meeting on 30 June.

b. Public Works - To send officer to Ferrara

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c. Commerce - During the next month to ascertain the amount of petrol drawn from CIP by Regional civilian transport, in an effort to check up on the black market, which is allegedly selling petrol for a lower price than CIP.

d. Food - (i) To confer with P.C.Bologna regarding the revision of the stock declaration decree.

(ii) To prepare a proposal for control of movement of foodstuffs, which will be discussed at a later meeting.

e. Transportation - To acquaint Transportation Sub-Commission with the unpopularity of EMAO rates in Forli, and request permission to lower the rates in that province alone by 25 per-cent.

f. Agriculture - To issue an interpretation of "producer" as referred to in agricultural decrees and orders, there appearing to be some doubt as to whether the owner of the farm or the actual tiller of the soil is intended to be designated.

g. Displaced Persons - To confer with Mr. Gamble, British Red Cross, regarding the decree on Refugees which was issued by the Vice-Prefect of Bologna.

h. Legal-Postal - To confer regarding the necessity of provincial orders in the adjustment of postal rates.

i. Executive Officer - To clarify the position in respect of the duties of the deputazione and giunto regarding the establishment of electoral commissions, and the compilation of electoral lists.

j. Public Safety - To obtain the 50 uniforms which have been allotted to the CC RR of the Region.

By order of Colonel BOWMAN:

ALDEN T. HINSON
1st Lt, AC
Adjutant

DISTRIBUTION
Regional Commissioner
D/Regional Commissioner
Executive Officer
All Provincial Commissioners
All Heads of Divisions
HQ Commandant
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Chief Commissioner, A.C. HQ
Executive Commissioner, A.C. HQ
Deputy Exec Commissioner, A.C. HQ
Civil Affairs Section, A.C. HQ (2)
Economic Section, A.C. HQ (3)
Public Relations Branch A.C. HQ (3)
HQ A.M.G. Fifth Army (3)
File

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Chief Commissioner HQ AC

Entry 21 REGD

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 394

Reference: RIX/HQ/C/1/3 — 18 June 1945

Subject : Regional Meeting - 16 June 1945

To : See Distribution

1. Visitors

Major Roakes - Mine Clearance
Capt Cunningham - Local Government S/O

2. Absentees

Capt Pinsent, Lt Molfetto, Lt Ash

3. Reports from the Provinces

Bologna - P.C. Bologna emphasized the seriousness of the question of grain being moved from Ravenna to Bologna. Stocks in Bologna are running low, and are not expected to extend beyond the end of June. The Regional Food Officer announced that the movement of grain to Bologna is anticipated in a plan which is expected to be operating shortly..... Objection was raised to the plan used by Petsco, wherein deductions for the current month are made in POL requests, based upon the availability of methane gas. It was pointed out that such an arrangement disrupts the plans of the provincial offices, and seriously reduces an already meagre POL allotment. P.C. Bologna also pointed out that in the allocations, Petsco appear to be ignorant of the fact that many organizations and agencies are operating on a Regional basis, even though they may draw from one province. The amount of POL allocated to such agencies is sufficient to permit operations within a province, but precludes any possibility of operating on a regional scale. .... It was pointed out that the carrying of shotguns is forbidden. The excuse that the bearers are supplying food is often used, but it has been found that this is often not true in fact.....P.C. Bologna urged closer supervision and censorship on the part of PWB, stating that a radio talk recently had been quite critical of the People's Courts, and a recent newspaper item regarding the Italian prisoners at Bolzano, though probably exaggerated, had painted a lamentable picture of conditions there.

Modena - P.C. Modena announced that he had recently sent to Reggio-Emilia for a release of cement, and the cement works had notified that the CLN had ruled that none was to be released to the Bologna area.

Parma - P.C. Parma again requested serious consideration be given to the question of removing ammunition to a place of safety. During the week an explosion occurred in Parma which injured 39 people, one gravely. The D.R.C. stated that military authorities will pay no heed to requests for removal unless they are accompanied by information stating the type and amount of ammunition, together with the exact location. The present problem is that the ammunition, not only in Parma but throughout the Region, is scattered over the countryside, and can even be found in places which are inaccessible to motor transport. D.R.C. will again

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approach the military authorities regarding this hazard..... Parma is anxious to have service restored on the La Spezia - Parma railway. The P.C. was advised that the Military Railway Service in Rome must be approached in this matter..... P.C. Parma stated that the article of the Regional Agriculture Officer regarding interference of the CLN had been published in the paper at Parma, but nothing in the nature of an order had been published for fear it might not be uniform with any which might appear in other provinces.

Reggio-Emilia - P.C. Reggio advised that he favored the stationing of Italian Army garrisons in his province. It is his belief that, with the withdrawal of Allied troops, their presence would provide a desired steadying effect.

Piacenza - P.C. Piacenza inquired regarding the military cost of living bonus and was advised that a bonus of 50% was applicable as from 1 June..... He also stated that various agencies, especially agricultural, were receiving instructions from Milan. The Regional Commissioner advised that there is to be no change in our policy in this regard, i.e., such communications are to be ignored unless it can be ascertained that they emanated from the recognised government which might be operating in Milan. Anything which proves to be activated by the CLN is to be ignored completely..... Trucks have been stopped in Piacenza and the drivers found to be in possession of passes authorizing them to transport calves from Reggio-Emilia or Parma to Milan. It was ruled that the P.C. should be as obstructive as possible in such cases.

Ravenna - P.C. Ravenna presented an application for the reactivation of a bus line in his province and was advised to present it to the Transportation Division for their action..... It was announced that the Bishop of Faenza had applied for permission to resume publication of his diocesan organ, and the P.C. was advised that, like all publications, this must be cleared with the Allied Publications Board.

Forli - Nothing to report.

Ferrara - P.C. Ferrara produced two newspapers which had been picked up in Ferrara and questioned their authority. The Regional Commissioner advised that all questions dealing with publications could be answered by Mr. Ellison, PWB Unit No. 15, APO 512.

4. Special Divisions

Public Works - The Bologna water supply will be increased by approximately 10-15% within the next few days, and by an additional 10% within another fortnight. Wire which is badly needed in reactivating the works has been found.

Executive Officer - Asked P.C's. to designate one officer on their teams as Autotrasporti Officer in an effort to coordinate the operations of this section. At present conflicting reports are received from various sources regarding the whereabouts or mission of a vehicle, and it is deemed desirable to have one officer in each provincial headquarters who will check on through on the individual requests and see that trucks are used for the proper purpose.

Economics & Supply - The Regional Economics & Supply Officer stated that the Price Advisory Boards would be forming in the various provinces.

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Public Safety - The Regional Public Safety Officer disclosed that yet another jail delivery and massacre had occurred in the Region. At 0130 hours on 15 June at Carpi in the province of Modena a guard at a Mandamentali answered the bell and was told to open up for inspection. The proper password was given, but when the gate had been opened, he was confronted by masked men armed with machine guns, who rounded up and killed 13 political prisoners who were being detained there... .. It was announced that a few Public Safety agents were coming to the Region and would be dispatched to the provinces. These men are trained and have been screened at Rome, and should improve the quality of the law-enforcement in the Region..... Certain partisans who have been working with the police are being gradually mustered out of the service..... All P.C's. were asked to ensure that the Questore be prompt and accurate in submitting their weekly political reports to this Headquarters. Nil reports are required..... The Security Officer desires to compile a directory of persons who have been arrested, and asked the cooperation of the P.C's. in submitting any information which they may have.

Transportation - The Regional Transportation Officer reminded the P.C's. that there is a supply of tires available for civilian use. At present the only sizes available are 7:50 X 20, and a few for 24 inch wheels, but a more complete stock is expected shortly..... It was announced that diesel oil is available at Faenza, but as yet the provinces of Reggio-Emilia, Parma and Piacenza have not drawn from this supply.

Telecommunications - The Asst Regional Telecommunications Officer announced that long distance service is open over the civilian syatem from Bologna to Piacenza. The service is not to be the best, but AMG calls will be given priority..... P.C's. were reminded that German telephone lines and equipment are not to be disturbed.

Postal - Foreign postal services are now open. Details will shortly appear in the papers..... Weight limits are to be increased slowly, with immediate preference given to banks and agencies paying pensions.

Food - Regarding the grain which is stored in Ravenna, the Regional Food Officer stated that it is destined for movement to Bologna, where it will be urgently needed by the end of the month. However, if it cannot be moved, it will be distributed locally against ration cards.

Agriculture - The price of wheat is now 750 lire, a figure which compares favorably with that which existed in all of Italy in 1943..... The price of hay in Ravenna is extremely high, but seems justified due to the high wages paid in that province..... A decree is shortly to be issued authorizing the revision of the Mezzadria system by means of provincial pacts between owners and tenants..... Of the 4,000 horses which left Austria for Italy, only 39 are reported to have reached their destination.

1059 Public Health - The Regional Public Health Officer urged close liaison on the part of the Public Works Division with Mr. Metzger, the American Red Cross representative in charge of rehabilitation work in 29 communes which were devastated due to military operations.

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Labor - The Regional Labor Officer gave the following information on the various wage groups:

Army Wages - 50% cost of living bonus authorized as of 1 June.

Private wages - Adjustments have been approved in nearly every case submitted. The majority are in the cases of seasonal agricultural workers, where rates of 22 lire per hour are approved. Requests for adjustments to this figure may be approved by the P.C's., but anything over this amount should be referred to the Regional Labor Office.

State and Public Wages - There will be no implementation of Italian laws at the present time. However, bonuses will be granted as follows:

Heads of families	- 2,000 lire or a month's salary, whichever is less.
Not heads of families, over 18 years of age	- 1,250 lire
Not heads of families, under 18 years of age	- 1,000 lire

This bonus applies for the month of June only, and is granted in anticipation of an adjustment in public wages.

Copies of Labor Sub-Commission letters LSC/414 on the Liberation Bonus in Northern Italy, and LSC/415 on the subject of payment of wages and/or insurance to Surplus Workers, Northern Italy, were handed to the P.C's. by the Regional Labor Officer.

Local Government - Capt Cunningham stated that no elections will be held in AMG territory. The preparation of lists may go on, however, in anticipation of the handover to the Italian Government.

Displaced Persons - The present refugee population in the Region is approximately 80,000. The Asst Refugee Officer requested that Milan be asked to hold refugees desiring to enter this Region until more dispersals can be made. It was further stated that loot of all description is being transported with these people, and much of it, especially foodstuffs, is having a serious effect upon prices. Much is now being impounded at the centers. P.C. Forli requested that Displaced Persons look into the operation of the Polish Camp in his province, but the Refugee Officer stated that this is the responsibility of Polcorps.

5. Comments by the Regional Commissioner

Press Conference - The Regional Commissioner announced that another press conference would be held at 1700 hours, 16 June, and urged the Heads of Divisions to take advantage of these conferences to make statements of general interest to the public.

Autotrasporti Rates - The Regional Commissioner announced that he intended to raise the transportation rates on 18 June in order to offer reasonable tariffs to the owners and thus endeavor to halt the spiriting away of our vehicles to other Regions.

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ANPI - The Regional Commissioner announced that there shortly will be established by the Italian Government, an association known as ANPI (Italian National Association of Patriots). The R.C. noted a letter from the Regional Patriots Officer in which the organizations and functions of this body were outlined, and asked for the opinions of the P.C's., regarding para 5(a), which reads as follows:

"To attain its objectives, the Association will support itself on patrimonial income, social subscriptions, and the eventual contributions from the State, from other institutions or from private individuals and also with the help of Welfare and Patriotic Associations."

It was the opinion of all P.C's. that the language of this paragraph was too general and broad, and they were especially concerned with its reference to "....subscriptions.....from private individuals ..." Cases of extortion and blackmail, usually by persons who were not true fighting Patriots, but who capitalize on the prestige and political power of the genuine article, have been all too frequent, and it is felt that Title V of the decree would encourage such practices. P.C. Bologna, while agreeing that the collection of contributions for this cause is commendable, insists that it must not be done by a private organization. He recommended that it be carried out through the prefectures, if at all. P.C's Forli and Ravenna stated that from their experience, "voluntary subscriptions" would be made at the point of a gun, often to entirely-unauthorized persons, and recommended that the Association exist on funds received from three sources: State, governmental and solicitation of subscriptions through the Prefect.

6. Action to be taken

D.R.C. - To bring cases of breaches of discipline on the part of Polish troops to the attention of Polcorps on the arrival of General Anders.

P.C. Parma - a. To investigate an alleged 5 lire surcharge on theater tickets which has been made in Parma without his knowledge or approval.
b. To get statistics on plant at Salsomaggiore with a view to reactivation.

All P.C's. - P.C's are to investigate, and to prepare and submit lists of receivers appointed by CLN, or of organizations which may be operating without receivers.

P.C. Ravenna - To submit facts of extortion case involving an Italian official in Ravenna to the Regional Legal Officer.

Transportation - Regional Transportation Officer to work out a plan of fares for local bus transportation.

Legal and Finance - To prepare a letter of instruction for the collection of taxes in Bologna. To be submitted to Regional Commissioner and P.C. Bologna.

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Economics & Supply - To coordinate all bids from all necessary agencies in preparation for a demand from Petsec for more liberal POL allocations.

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Food - a. To report on progress of grain collection program, and condition of the grain stored in Ravenna, at the next Regional meeting.

b. To prepare a proposal for control of movement of foodstuffs, which will be discussed at a later meeting.

P.C. Modena - To investigate Italian Artillery Officer who reported to his province.

Public Safety - To consider possibility of shifting CC RR from one province to another.

By order of Colonel BOWMAN:

Alden T. Hinson
ALDEN T. HINSON
1st Lt, AC
Adjutant

DISTRIBUTION

Regional Commissioner
D/Regional Commissioner
Executive Officer
All Provincial Commissioners
All Heads of Divisions
HQ Commandant
Adjutant
Chief Commissioner, HQ A.C.
Executive Commissioner, HQ A.C.
Deputy Exec Commissioner HQ A.C.
Civil Affairs Section HQ A.C. (2)
Economic Section HQ A.C. (3)
Public Relations Branch HQ A.C. (3)
File

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Chief Commissioner
AC HQ

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 394

JUN 14 READ

Reference: RIX/HQ/C/1/3

10 June 1945

Subject : Regional Meeting - 9 June 1945

To : See Distribution

1. Absentees

Major Ayre, Major Sawers, Capt Rogers, Capt Winterstoen, Lt Molfetto, Lt Sleicher.

2. Reports from the provinces

Bologna - P.C. Bologna reported that the head of Autotrasporti in his province had been arrested upon orders from the Prefect. It was understood at the time of his appointment that he had had Fascist connections, but at the same time it was agreed that he was the man best suited for the position. However, evidence against him was soon great enough to warrant his arrest..... Tax assessors in Bologna have presented tax collection lists which were prepared under Republican Fascist laws. Since the sum total of the collections would be roughly the same as if the lists had been compiled under our laws, and in view of the fact that it would take months of additional work to prepare new lists, the Regional Legal Officer advised P.C. Bologna that those in hand could be used, with adjustments being made at a later date in individual cases, if justified. It was agreed that a provincial order to this effect was unnecessary, as long as the instructions issued to the various communes were uniform..... P.C. Bologna wishes to raise the rates for street car fares, pointing out that the present rates are far too low. It was ordered that a flat 2-lire charge would be permitted..... The Provincial Commissioner announced that a meeting between the Sindaci and representatives of the CLN is soon to take place in Bologna Province. Among other points which are to be discussed will be the contributions to partisans, which in many cases have smacked of extortion, being directed for the most part against the richer elements in the province. The P.C. desires to make the Sindaco responsible for the proper handling of these contributions, but the Patriot Officer advised that this will be the responsibility of the Provincial Patriot Association..... P.C. Bologna announced that the Questore had been dismissed in Bologna. This dismissal, in addition to ridding the administration of an undesirable, also adds considerably to the stature of AMG, since this individual had let it be bruited about that, having been appointed from Rome, his position was quite secure..... Regarding Polish troops, P.C. Bologna stated that he is desirous of having their lack of discipline brought to the attention of the proper authorities. This wish was supported by the P.C's. of Forli and Ferrara. The Regional Commissioner advised that Provincial Commissioners should do what they could at their own level, but should present a case to this Headquarters if their efforts should fail.

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Modena - P.C. Modena reported that in some cases corporations are in the hands of the workers, the owners having been in the vicinity, but intimidated to such a degree that they do not dare appear on the scene. It was ruled that such

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cases constitute a straight Public Safety responsibility..... Modena needs more large trucks in Autotrasporti, and the P.C. requested a loan of such vehicles from other provinces. The Autotrasporti Officer stated that this was impossible, since every province is at present engaged in bringing in wood for the winter and every available vehicle of large capacity is in use. It was further announced that two G.T. Companies are coming to the Region, but they will be small companies of about 40 light vehicles each, and since many already lack rubber, it was not expected that they would be of great assistance after the demands of industry, especially hemp, had been met. The low rates charged in this area have been a discouraging factor as far as the owners are concerned, but authority to charge higher rates is expected from Rome on Wednesday.

Reggio-Emilia - People's Courts in Reggio began operations on 6 June. Six torturers were tried, five receiving a death sentence and one a term of imprisonment. Regarding the Black Brigade, the Regional Legal Officer stated that according to a directive issued from AFHQ, they are not to be considered Prisoners of War, but are to be held for trial by the Italian Courts..... Regarding newspapers, P.C. Reggio was informed that it has been the policy of PWB to approve newspapers representing political parties.

Parma - P.C. Parma presented an urgent request for POL for agricultural purposes and was reassured by the Regional Commerce Officer that this would be forthcoming within the next few days..... It was revealed that the Prefect of Parma had issued an order upon authority from CLNAI to disband UNPA. Not only because of the principle involved, but also because of the fact that UNPA has been most useful in the collection of ammunition and the disposal of bodies, the Provincial Commissioner immediately instructed the Prefect to countermand the order..... P.C. Parma reported further instances of headquarters personnel working and giving orders in his province without reference to him. The Regional Commissioner again urged better liaison in such matters.

Piacenza - The Epuration Committee in Piacenza desires to appoint subcommittees to investigate special fields, such as education, banks, etc. Under Special Order No.35, this cannot now be done, since all committees were to be formed within three days after the posting of the Order. The Regional Legal Officer will inquire if this time element cannot be ignored..... POL drawn for Piacenza must be drawn from Bologna, by an American soldier, and only in quantity sufficient for 24 hours. The Regional Commerce Officer stated that this procedure, though far from satisfactory, must be followed.

Forli - P.C. Forli reported that refugees had reported to the camp in Forli and were denied the usual accommodations because they were proceeding north. The Displaced Persons and Refugees Officer stated that this was not true to his knowledge, but stated that northbound refugees did present a separate problem and urged the cooperation of all P.C's. in the matter of transport for them.

Ravenna - P.C. Ravenna reported a supply of excess grain which is at present rotting in Ravenna. He stated that the people want this grain, preferring, for the most part, to do their own milling and baking. The Regional Food Officer stated that the grain cannot be distributed to the people, since they must adhere to the ration card system. He further stated that A.C. Headquarters intended to move the grain, but as yet nothing has been done. The Provincial Commissioner is desirous of having special action taken in this case, since the grain

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represents a two month supply, and will inevitably spoil if left in its present state. The Regional Commissioner ordered that a deadline be agreed upon between Food and Agriculture, beyond which the grain would be unfit for use, and stated he would advise A.C. of this deadline date and distribute the grain directly, as recommended by the P.C. unless it had been moved in the meantime..... Civil authorities in Ravenna desire to repair the methane gas line to the city, but the P.C. was informed that methane gas will not be available for household consumption for some time.

Ferrara - P.C. Ferrara reported a shortage of law-enforcement personnal in his province. The CC RR are about 100 under-strength, whereas there are about 90 surplus in Modena and Reggio-Emilia. Public Safety is to consider shifting some to Ferrara..... A request was made by the P.C. for troops to be stationed in the area as a token of our presence, with the statement that the Prefect of Ferrara concurred in this request..... Water trucks are badly needed in this province.

3. Special Divisions

Patriots - The Regional Patriots Officer stated that a directive organizing a new Patriots Association which will take the place of the communal committees is at present awaiting approval by the Chief Commissioner.

Mines Clearance - The Mines Clearance Officer stated that his operations will not be as far reaching as had been anticipated, due to the fact that each of the two Italian Companies will be only 250 strong, instead of the anticipated 400. These companies will operate only in the provinces of Bologna, Modena, Forli and Ravenna. It was also pointed out that this division needs four Autotrasporti trucks, and a passenger-carrying vehicle for the officer.

Education - The Regional Education Officer requested that General Order No.35 be expedited in all provinces in regard to education.

HQ Commandant - HQ Commandant announced that American and British rations for the provinces of Modena, Reggio-Emilia, Parma and Piacenza will be drawn by the provincial teams from a newly-established warehouse in Modena.

Labor - The Regional Labor Officer stated that according to the Italian Government and A.C. the payment of the liberation bonus should not be considered as a violation of General Order No.41. If employer and employee are in agreement, the bonus may be paid; in case of disagreement, the case should be referred to the Labor Office concerned..... A memorandum outlining and explaining the various wage categories was handed to the Provincial Commissioners.

Economics & Supply - The Regional Economics & Supply Officer urged the P.C's. to act in the matter of setting up price advisory boards. Details as to the formation of these boards are in the hands of the P.S.O's.

Commerce - The Regional Commerce Officer stated that from the 11th of June 80 tons of POL will arrive daily at Faenza. Two-thirds of this will be kerosene and one-third diesel oil. There will also be a daily allotment of 100 barrels of petrol. CCP will be responsible for the distribution, according to a plan which they will receive from Petsec.

1135

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Finance - The Regional Finance Officer urged that serious consideration on the part of every officer concerned with funds be given Establishment Memorandum No. 11, dated 1 June 45, on the subject of Controlled Expenditures.

Legal - It is the opinion of the Legal Officer that the Epuration Committees and People's Courts, although established, are not operating as yet on a scale which might be expected. Although it is the duty of the Provincial Legal Officer to supervise the operations of these bodies, P.C's. were urged to take a personal interest in the Commissions and Courts of their provinces in an effort to obtain the desired results.

Public Health - The Regional Public Health Officer announced that there is an insulin manufacturing concern in Reggio-Emilia which can operate, but lacks the raw materials, principally beef pancreas. R.P.H.C. desires a statement from the provinces as to their monthly needs and urged that Medici Provinciale inquire as to sources of beef pancreas for the factory.

Public Works - Work on improving the water-supply system in Bologna is being held up by a lack of electrical power, which in turn is insufficient because of lack of wire. Industry stated that wire had been available, but had been taken by the Army. A representative of the Public Works Division stated that 5th Army Engineer is aware of the problem and of its seriousness.

Autotrasporti - It was reported that black market operations regarding the transporting of passengers on Autotrasporti vehicles are coming to light, and will be investigated. P.C. Bologna, having investigated a bit on his own, gave some interesting facts and figures which indicated that this racket might already have reached appreciable proportions..... The Autotraporti Officer reported that CIT is charging fabulous prices for transportation by bus..... It was urged that rates be raised by approximately 30%, since owners cannot be expected to provide vehicles at the present low tarriff, especially in the cases of charcoal-burning trucks, which are very costly to operate.

4. Comments by the Regional Commissioner

Press Conference - The Regional Commissioner announced that, commencing today at 1700 hours, a weekly press conference will be held at this Headquarters. The purpose will be two-fold: to provide information and to educate those concerned in the meaning of a free press. Questions to be answered will be known in advance, and certain Heads of Divisions will be asked to attend to provide specialist advice.

Reports - The Regional Commissioner again asked the P.C's. and Heads of Divisions to be more specific in their weekly reports. More detailed information will be appreciated, and will be of more use to the Region.

Signs in Provinces - P.C's. were asked to see that the whereabouts of the various AMG offices be made known by a more liberal use of direction signs in the provinces.

Receivers - It was announced that the appointment of receivers is the responsibility of the Regional Commissioner. The R.C. asked P.C's. for a list of receivers appointed by the CLN, since the appointees must either be adopted by him or new appointments made.

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Visitors - The Regional Commissioner urged that more courtesy be shown visitors to this headquarters. Heads of Divisions were exhorted to be especially considerate of Heads or representatives of the various Sub-Commissions. It was pointed out that their time is valuable, and since their visits here are prompted by a desire to be helpful, the Head of the Division concerned should be solicitous of their personal comfort and in expediting the business at hand.

Red Cross - Regarding the position of Red Cross personnel in the Region, the Regional Commissioner stated that they are an integral part of the team and entitled to all the consideration and respect which should be shown an officer.

Jail-breaks - P.C's. were urged to proceed with strict law-enforcement as before, and to see that secure places of imprisonment, amply guarded, are provided. Should instances of armed bands breaking into jails and taking the law into their own hands continue, the Regional Commissioner stated that he would be forced to ask for assistance from the Military, but is loathe to do so until every alternative course has been tried.

Liaison in Provinces - The Regional Commissioner urged closer liaison between Provincial Commissioners and Prefects, since the latter often seem to be unaware of the content of certain AMG Orders.

5. Action to be taken

D.R.C. - Upon receipt of information from the provinces, D.R.C. will write letters to Military Command concerned regarding locations of scattered ammunition.

Adjutant - To see that Mines Clearance Officer and Displaced Persons Representative are included on distribution list for this Headquarters.

P.C. Parma - To investigate properties of DUCATI concern in his province, ascertaining if a receiver has been appointed.

Legal - a. To prepare a letter to P.C's., asking for lists of CLN-appointed receivers in their provinces.

b. To write letter to R.C. with specific information regarding a proposed transportation rate increase of 30% in Ravenna Province.

c. To ascertain if the 3 day period in General Order No. 35 can be construed to permit the formation of additional Epuration sub-committees in the provinces.

Legal and Finance - To prepare a letter of instruction for the collecting of taxes in Bologna. To be submitted to Regional Commissioner and P.C. Bologna.

Autotrasporti - The Regional Autotrasporti Officer is to investigate and report on the racket in which truck owners and operators are alleged to be transporting passengers instead of the authorized loads.

To provide four trucks immediately to P.C. Ferrara for transportation of water.

P.C. Ferrara - To ask Major Fewings, Local Resources Officer, to visit P.C. Ravenna at earliest opportunity.

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All Heads of Divisions - Upon entering a province, all Heads of Divisions or their representatives will report to the Provincial Commissioner, notifying him of their presence and the nature of their business.

Food - To notify A.C. HQ of the grain which has not been removed from Ravenna, and of our decision to distribute it as of a certain date if no orders to the contrary should be received in the meantime.

All PSO's - To submit list of deficiencies to Regional Food Officer.

Major Wilcox, Public Works - To contact P.C. Bologna regarding lack of wire and other problems which are slowing down the work of reactivating the city water system.

By order of Colonel BOWMAN:

ALLEN T. HINSON
1st Lt, AC
Adjutant

DISTRIBUTION

Regional Commissioner
D/Regional Commissioner
Executive Officer
All Provincial Commissioners
All Heads of Divisions
HQ Commandant
Adjutant
Chief Commissioner, A.C. HQ
Executive Commissioner A.C. HQ
Deputy Exec. Commissioner A.C. HQ
Civil Affairs Section A.C. HQ (2)
Economic Section A.C. HQ (3)
Public Relations Branch A.C. HQ (3)
File

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

Chief Commissioner
Hq AC

JUN 13 RECD 3895

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 394

Reference: RIX/HQ/C/1/3

4 June 1945

Subject : Regional Meeting - 2 June 1945

To : See Distribution

1. Absentees: Major Albright, Capt White, Lt Hinson, Lt Molfetto.

2. Reports from the provinces

Bologna - P.C. Bologna reported that he had asked for a Vice-Prefect Vicario, but that the latter had not arrived as yet. The D.R.C. agreed to signal Rome in the matter. It was also disclosed that there are 300 tons of cement at Rimini, which can be used at Bologna. P.C. Bologna favors taking 40 tons on loan, to be repayed at a later date. The question is transportation, and the Regional Transportation Officer is to contact the 27th QM Bn to see if they can help in this regard. Cattle are needed in Bologna and although the P.C. stated that he hoped to receive some from the north, the Regional Agriculture Officer stated that in his opinion this was impossible, due to the chaotic state of Italian administration in this particular field. P.C. Bologna also stated that his POL allotment is totally inadequate, but was reassured by the Regional Economics & Supply Officer that he will receive sufficient allocation for his needs. The Regional Commerce Officer also stated that, whereas Petsec was reluctant to give any assurance in the way of actual figures, they had promised that there would be sufficient POL for the needs of the Region.

Ravenna - P.C. Ravenna stated that he is currently being approached by alert civilians who claim to have seen their own motor vehicles, requicitioned by the Germans, proceeding south in the surrendered German convoys. These civilians are anxious to reclaim their property, but the policy, as outlined by the Executive Officer, is that enemy requisitioned material of every description is being treated as captured enemy material, and is being reallocated in 5th Army territory by G-4, Fifth Army. The hope of civilians reclaiming their property is slim for the present, especially as regards motor vehicles, which will be needed by the Germans themselves for the proper administration of their camps, and also by the Allies and the Italian Army. Regarding the authority necessary for the publishing of a newspaper, it was stated that any publication must have the approval of PWB. It was further stated that PWB favored papers representing the various parties. P.C. Ravenna took exception to paras 3b(ii) and 5b(ii) of RIX/19/PAT dated 23 May regarding provincial and communal committees for Patriots, stating that the mention of the CLN therein gave them recognition which at this time is undesirable. In regard to the committees, it was stated by the Regional Patriot Officer that, although Rome has suggested reference to the CLN, local adjustments could be made.

Piacenza - P.C. Piacenza reported that wages are much too low in his province. It was also stated that the epuration committee was set up, but functioning very slowly. The Regional Legal Officer stated that it was the responsibility of the Provincial Commissioner to see that these committees are active,

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and that the P.C. could appoint as many separate committees as he thought ~~neces-~~ sary to facilitate his epuration programme. It was reported that three people have been arrested for carrying arms in Piacenza and are awaiting trial by the highest court possible for such an offense in an effort to discourage this particular practice. P.C. Piacenza is not satisfied with the state of the depot of captured enemy equipment at Piacenza. He reports much looting taking place, chiefly because of an insufficient number of guards.

Parma - P.C. Parma stated that he was anxious to have a visit from the Regional Labor Officer to study the labor situation and assist in the formation of a Provincial Labor Office. It was also reported that nothing had been done about picking up abandoned ammunition in Parma. There are also persons awaiting trial for carrying arms in this province. The Provincial Commissioner reported that Italian personnel of the Patriots Division had reported to his province without proper orders.

Forli - P.C. Forli wished to go on record as saying that a potential hazard threatens in Forli in the proposed establishment of separate refugee camps for Polish refugees. The P.C. was reassured by the Regional Displaced Persons and Refugees Officer, who stated that although possibly 100,000 Poles were expected to inhabit those camps, they would, in his opinion, be conducted and administered well, and he further stated that the Poles deserve a vote of thanks for taking what would be a definite problem off the hands of the D.P.& R. personnel in the Region.

Modena - P.C. Modena requested clarification of a few points regarding Labor, which were outlined by the Asst. Regional Labor Officer as in para 3(b) below. There is a question in Modena as to the proper price for petrol, there being a difference in the price set by 5th Army and that of CIP. The Regional Commerce Officer stated that CIP is the governing agency. Regarding a need for tires, the Regional Transportation Officer stated that 7:50 X 20 is the only size available at present. P.C. Modena stated that he had received orders to ship bricks to Bologna, and was unwilling to have his supply drained by export, but was assured by the Regional Industry Officer that there would be one, and possibly three brickworks upon which Modena could draw exclusively.

Ferrara - P.C. Ferrara stated that, as yet, no political activity is permitted in that province. The advisability of permitting meetings at this time is to be studied. The Prefect of Ferrara is desirous of having a few troops stationed in the province to show the presence of the Allies. P.C. Ferrara reported a shortage of Consiglieri and was asked to put forward a formal application for these officials.

Reggio-Emilia - P.C. Reggio stated that his province needs means of transport for rice workers who must be transported to Piemonte.

1063 Special Divisions

a. Welfare - The Regional Welfare Officer requested that the communal Patriot committees referred to in RIX/19/PAT of 23 May be designated as something other than Communal Welfare Committees, particularly in 8th Army area, where, under an 8th Army directive, committees with the same name had already been set up to do an entirely different work.

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b. Labor - Regarding wages, the Asst. Regional Labor Officer reported that:

(i) Private wages - Governed by General Order No.41, which freezes prices and wages as of 3 April. Release from this Order has been obtained in Bologna Province, but it applies elsewhere in the Region.

(ii) Military wages - 5th Army is expecting a directive from AFHQ authorizing a cost of living bonus to be paid in the case of military employees. In the small section of Bologna Province under No.1 District, this bonus has already been authorized verbally. It is the duty of the District or Base Section concerned to appoint sub-committees composed of personnel selected from the military units in the area, to study wage conditions and adjust military wages accordingly.

(iii) Public wages - Must be treated on a provincial and not a Regional basis. The rates in the various provinces may be, and will be different. Regarding public wages, the Prefect of a province may suggest to the P.C. that Italian laws prevailing in the south be implemented in his province. Justification for his demand will be submitted to the Finance Sub-Commission by the Provincial Commissioner through this Headquarters.

4. Comments by the Regional Commissioner

Meeting of Prefects - The Regional Commissioner announced that the Prefects were about to meet in his office and expressed the hope that out of this meeting would come a greater understanding on their part of the problems of the Region as a whole. It was also announced that after the Prefects had conferred among themselves, there would be a meeting between them and the P.C's. under the chairmanship of the Regional Commissioner, and from these two conferences should come many suggestions and plans for the breaking down of the artificial barriers which have heretofore fostered a "balkanization" between the provinces.

Position of the CLN - The Regional Commissioner read a Regional Order which had been published by Lombardia Region, in which the position of the CLN as a governmental body was set forth. It was agreed by all present that a similar order should be published in this Region, but with extensive modifications. Whereas the order read stated that the powers of the CLN would cease to exist as of a certain date, one published by Emilia Region would reiterate what has time and again been pointed out to the Committee of National Liberation, i.e., that their powers had ceased to exist with the advent of A.M.G. This position has for some time been understood in the provincial capitals, but it is in the outlying districts, where because of lack of sufficient Allied military personnel our existence is often hardly more than hearsay, that the publication of the Regional Order is expected to have a salutary effect.

Weekly Sitreps - It is the opinion of the Regional Commissioner that the weekly sitreps have been reaching this Headquarters too late to be of real use either here or at HQ A.C. In the future, reports for provinces and Divisions alike will cover the seven day period ending 1800 hours on Thursdays, and will be brought to the Saturday meetings by hand. Regarding their content, more emphasis should be laid on names, dates, figures and other details, with attention also directed to anything which has a human interest angle.

1 Copy

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Relations with the press - The Regional Commissioner urged full cooperation with the press on the part of the P.C's., cautioning them, however, that any releases should be critically scanned in advance to ascertain that everything is in keeping with the policies of A.M.G.

Correspondence - Inclosures - All P.C's. were requested to include three copies of any communication meant for onward transmission by this Headquarters.

5. Action to be taken

Telecommunications Officer - To investigate possibility of providing more inclusive service to Special Division offices.

Signs - Anyone desiring a sign for his Division should give his order to the HQ Commandant at once.

D.R.C. - a. To signal Rome regarding Vice-Prefetto Vicario for Bologna.

b. To consult Regional Commissioner regarding the closing of Special Division offices on Sundays.

Transportation Officer - To investigate possibility of 27 QM Bn providing transport for 40 tons of cement from Rimini to Bologna.

Patriot Officer - To re-write his RIX/19/PAT of 23 May, eliminating paragraph referring to communal welfare committees.

P.C. Piacenza - To present case on behalf of his province in an effort to obtain an increase in the private wage scale.

Economics & Supply - Finance - Labor - To confer as to action to be taken in regard to the Liberation Bonds and submit recommendations to the R.C.

Ammunition Dumps - a. P.C's. concerned are to forward to this HQ information regarding location of ammunition dumps, together with sizes and types of ammunition to be found there, for transmission to 5th Army for action.

b. D.R.C. to write letter to No.1 District and PBS, pointing out the danger of these dumps.

All P.C's. - a. To ask their Prefects to consider likely candidates for the post of Provincial Labor Director in order to expedite the establishment of the various Provincial Labor Offices.

b. To see that Regional Transportation officer is furnished desired data regarding requisitioned vehicles.

By order of Colonel BOWMAN:

1081 -

ALLEN T. HINSON
1st Lt, AC
Adjutant

DISTRIBUTION
Regional Commissioner
D/Regional Commissioner
Executive Officer
All Provincial Commissioners
All Heads of Divisions
HQ Commandant
Adjutant
File

Chief Commissioner 14 AC

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 534

JUL 5

Reference: RLX/Eg/C/1/3

1 July 1945

Subject : Regional Meeting - 30 June 1945

To : See Distribution

1. Absentees - Lt Col Ruck, Capt Wintersteen, Lt Molfetto, Lt MacNab, Lt Ash.

2. Provincial Commissioners:

Bologna - P.C. Bologna reported that a demonstration had occurred in that province during the week. It was suspected that it might have been encouraged by the mayor. A delegation was received and differences aired and suggestions received. The delegation represented industrial groups who are at present unemployed..... The Provincial Commissioner also asked regarding the question of receivers, and whether they could be appointed by Italian officials. Legal advised that this could be done in some cases, but that the appointment had to be approved by the Regional Commissioner..... Bologna Province needs more officers, but the Deputy Regional Commissioner stated that additional trained officer personnel was unlikely to be forthcoming.

Modena - P.C. Modena reported that the Questore at Modena had been dismissed and a new man appointed. The entire Questura staff was also dismissed, and 60 Partisans of the better class selected to replace them. It is reported that the department is now functioning efficiently..... P.C. Modena urged closer liaison between PWB and the Provincial Commissioners. Five newspapers suspected of being clandestine in Modena were, upon investigation, found to be authorized by PWB.

Forli - P.C. Forli has been advised that UNPA organizations have received orders to disband. Additional information was requested, since the orders were sent directly to the Prefect.

Piacenza - P.C. Piacenza reported that due to the slowness with which the Epuration Commission in Piacenza is functioning, a well-organized group of the better element of Partisans have been giving certain Italian officials five days to leave office. The Provincial Commissioner suspended the head of Sepral on the basis of information in his Scheda Personale. The CLN have issued an appeal to the people to dispense with violence..... Information was sought regarding a recent appeal for laborers to go to East Africa. The Regional Labor Officer stated that nothing official has been received as yet, but that records of all applications should be kept in case the appeal proves to be authentic..... P.C. Piacenza reported that wine is going to Milan because the merchants at Reggio are unwilling to sell it at the established price of 200 lire when it can be sold for much more at Milan. Many other commodities are reported to be leaving the Region for the Milan area.

Reggio-Emilia - P.C. Reggio stated that there is a great demand for coal in his province, especially from foundries. Industry advised that all coal must go to cement and lime works until the immediate pressing demands from Public Works have been met.

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Ferrara - Four trucks which were promised to Ferrara by Bologna have not arrived as yet. P.C. Bologna agreed to consult his Prefect on the matter ..... During the meeting, P.C. Ferrara received a telephone call from his headquarters which told him of riots which were going on in Ferrara. He renewed his request for additional CC RR. 120 will be sent as soon as possible by Public Safety.

Parma - P.C. Parma requested information regarding leave for his EM/OR, and was informed that OR could be sent to Venice, Milan or Turin on Temporary

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Duty (three days travel time and four days leave). Arrangements must be made through C.C. British Detachment, this HQ, and requests should be submitted at least a week before the expected date of departure..... Petrol coupon books are needed in Parma, but the Regional Commerce Officer stated that they would not be ready before 1 August..... P.C. Parma reported that Public Health authorities from his province came to Bologna for supplies, but were told that lire were not acceptable, and that cheese was preferred in exchange.

San Marino - The Political Liaison Officer to San Marino reported that factory equipment requested from Lombardia had not been received. Industry stated that although Lombardia had favored free trade between the Regions, that Region had been very slow to cooperate. It was believed that the equipment would be forthcoming shortly.

3. Special Divisions

Transportation - The Regional Transportation Officer announced that Italian tires would shortly be available at the Pirelli warehouse in Bologna for use on civilian cars and trucks authorized by the Transportation Division.

Patriots - The Regional Patriot Officer announced that ANPI should be watched, as its activities seem to be progressing along lines which were not intended at the time of its formation.

Agriculture - The Regional Agriculture Officer asked the P.C's. if they were satisfied with the "Mezzadria" pact as it now stands. The general opinion was that the pact is unsatisfactory, but P.C. Forli stated that an agreement had been reached after a series of conferences between owners and tenants in his province. The question of war damage is of great importance, since exorbitant demands for reconstruction have been directed at the owners. P.C. Ravenna stated that the Italian Government should be made to assume much of the rehabilitation expense..... The question of bomb-craters on farms is also of great importance, since the farmers cannot afford to fill them in. Public Works stated that they have received a decree regarding this work.

Public Works - The Regional Public Works Officer requested that P.C's. control requests for projects as much as possible..... Regarding the Bologna water supply, it was announced that 2,000,000 gallons will be available within two days, and in another 2 weeks an additional generator will provide an extra 2 or 3 million gallons, thus increasing the supply to 90% of normal, beyond which it cannot be increased further. There will still be a water problem, however, since the population of the city is about double the normal.

4. Comments by the Deputy Regional Commissioner

Personnel - The Deputy Regional Commissioner announced that the Regional Commissioner would shortly leave for the Venezie-Giuglio area to assume a new command. Lt Col Kucera and Major Freese will accompany him. It was further announced that Lt Col Spann and Major Sowers will also be leaving in the near future. Major Hyland was introduced as the new Public Works Officer, and Captain Hall as the Regional representative of the War Materials Disposal Sub-Commission.

Elections - The D.R.C. announced that the forthcoming elections are

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Elections - The D.R.C. announced that the forthcoming elections are local elections only.

5. Action to be taken

a. Legal - To write letters to Legal Officers clearing the matter of the various types of property which require receivers.

b. Food - (i) To confer with Economics & Supply regarding price and movement of wine.

(ii) To confer with Economics & Supply regarding advisability of providing waybills as a means of controlling the operations of Autotrasporti.

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c. Transportation - To ascertain needs of the Special Divisions before making a Wholesale allotment of the Italian tires which will soon be available.

d. Executive Officer - (i) To ascertain what hotel space at Salsomaggiore is likely to be needed by Army.
(ii) To complete the board showing names of Provincial officials.

e. All P.C's. - To check if Sindaci were properly appointed by Prefects and report to this Headquarters by 10 July.

f. Public Works - To report on contents of Bomb-crater Decree at next Regional Meeting.

By order of Colonel BOWMAN:

ALDEN T. HINSON
1st Lt, AC
Adjutant

DISTRIBUTION

Regional Commissioner
D/Regional Commissioner
Executive Officer
All Provincial Commissioners
All Heads of Divisions
HQ Commandant
Adjutant
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section , HQ AC(2)
Economic Section, HQ AC (3)
Public Relations Branch, HQ AC (3)
HQ, AMG, Fifth Army (3)
File

1075 -

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

Chief C[illegible], Hq. AC.

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 394

Reference: RIX/HQ/G/1/3 — 8 July 1945

Subject : Regional Meeting - 7 July 1945

To : See Distribution

1. Absentees - Lt MacNab, Lt Ash.

2. Provincial Commissioners

Bologna - P.C. Bologna reported considerable dissatisfaction over the Mezzadria pact. There is considerable unrest at the moment, and demonstrations have occurred in two communes. It was reported to the Provincial Commissioner that in one case the Consorzio had issued receipts on a 60-40 basis, thus giving recognition to the unauthorized distribution, but the Regional Agriculture Officer stated that he had investigated and found no substantiation to this report. He further stated that differences arising from the Mezzadria can no longer be considered Agriculture problems, since the pact must remain in its present state and it is consequently the responsibility of the Civil Affairs Section to keep it so. The Regional Labor Director has gone to Rome to confer with the Ministry of Agriculture in an effort to obtain a more detailed explanation of the pact, which at present permits of too many interpretations. The Inspector of Agriculture is preparing a list of landowners who have fled from their homes through fear occasioned by differences with tenants over this pact..... It was announced that a maximum of 2000 permits have been authorized for vehicles of all types in the province of Bologna.

Forli-Ravenna - The Provincial Commissioner of these two provinces reported interest in the recent appeals for labor battalions to work in East Africa. No official word has yet been received at this Headquarters, and the policy will continue to be the same as heretofore, i.e., applications will be accepted, but no assurances given until the situation is clarified..... Inquiring as to how a check might be made on stolen military petrol, the P.C. was told that no effective check could be made, as both military petrol and that for civilian use are the same. Persons who are not entitled to coupons can, of course, be brought to task for the possession of petrol, but those who have coupons can always say, unless the amount is excessive, that the petrol was obtained legally.

Reggio - P.C. Reggio announced that death sentences passed on 7 June in the cases of 5 Fascist torturers have been affirmed. He was advised by the Legal Officer that the Procuratore Generale at Bologna fixes the time and place of executions..... The People's Court at Reggio has disposed of 60 cases to date, with two acquittals. These two acquittals were in the cases of members of the Black Brigade, and thus a problem arises over the remaining members of this organization who are still imprisoned. Under the new policy with regard to the Black Brigade, anyone who is guilty of nothing more than nominal membership will not be held for trial, but neither can there be a wholesale release at the moment for fear of reprisals by self-appointed "epurators". It is not felt that the military can be called upon for assistance, since it is a matter of civilian security rather than military. The Regional Legal Officer

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

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Modena - P.C. Modena reported disagreements over the Mezzadria pact similar to those reported by Bologna..... No murders or disappearances have been reported in this province during the week. Six people have been arrested in connection with a murder case, and this is expected to have a good effect..... There is considerable agitation over the People's Court in Modena, arising from an article in the Communist newspaper which accused the judges of being ex-Fascists and the prosecutors of sympathetic leniency. As a result, the judges and prosecutors submitted their resignations, but were ordered to carry on until replacements have been found. Although they will remain in

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

office, it is now felt that fear for their personal safety might prompt them to pass sentences which will be too severe. Cases of intimidation are common in Modena, affecting nearly every office-holder including the Prefect, who is actually a competent man but hampered by the lack of career officials on his staff..... Unemployment is causing considerable unrest, and the P.C. requested that every effort be made to reactivate industry in his province. The principal difficulty in this regard lies in the extreme shortage of coal for the factories..... P.C. Modena complained that the POL allotment for the province is insufficient. His P.S.O. presented an indent which had been cut to the minimum, but this was cut an additional 20% in the eventual allocation. The Regional Commerce Officer outlined the proper procedure to be followed, but disclaimed any responsibility for the actions of Fetsec in filling the demands..... The Regional Economics & Supply Officer stated that agricultural demands for POL may be made as supplementary bids, and it is felt that they will be filled.

Parma - P.C. Parma reported a large but orderly demonstration on 6 July, ostensibly against the price and quality of bread..... Regarding salaries for bank workers, the Provincial Commissioner stated that he had received information that increases were being effected retroactive to 1 Jan, and requested official confirmation of this. The Regional Labor Officer stated that he had received the same information, and if the banks were agreeable, the increase would be authorized.

Ferrara - P.C. Ferrara asked about the handing back of shotguns. The Regional Public Safety Officer is of the opinion that very few were handed in, but agreed to consult 5th and 8th Armies in the matter..... It is desired to reactivate the Bonifica at Bondeno, which normally employs about 400 people and is at present reduced to 19. There is much work to be done in the area by this agency..... The CLN in Ferrara submitted a request to form an arbitration commission to operate between landowners and tenants. The formality of forwarding the request was observed by the P.C.

Piacenza - P.C. Piacenza reported that returning rice workers are presenting a problem at the Po. The Deputy Regional Commissioner stated that the question of transportation has been discussed, and commencing today 40 trucks per day will report to transfer these workers to the south..... Forty CC RR and Questura agents searched a train outside Piacenza and much contraband was seized, but because of the general dissatisfaction and threatening attitude of the transporters, the contraband was returned. Evidence was thus obtained confirming the opinion of the P.J. that unauthorized movement of foodstuffs is taking place..... The CLN in Piacenza ordered a theater owner to evacuate in order that they might operate the theater and give the proceeds to needy and deserving Partisans. The Committee was not permitted to take this action..... POL is needed in Piacenza for wheat threshing.

3. Special Divisions

Education - The Regional Education Officer announced that both MTOUSA and 1 District have ordered that school buildings which are occupied by troops will not be requisitioned, after evacuation, by other military units. P.C's. are urged to expedite the evacuation of school buildings by 1 August, wherever possible.

Transportation - The Regional Transportation Officer announced that

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Transportation - The Regional Transportation Officer announced that 120 trucks have been made available to the Region for formation of trucking pools.

Patriots - Regarding ANPI, the Regional Patriots Officer read a reply from the Patriots Branch, Local Government Sub-Commission, HQ A.C., to a letter written by the former Regional Commissioner in which he objected strongly to the paragraph in the original decree relating to collection of funds. It was agreed by all present that the reply did not answer the question, since it stated that the Association merely has the right to accept contributions, not the right to ask. This does not preclude the probability that solicitation will be made, as it has in the past, by force. A further interesting observation on the part of some of the P.C's. is that many heads of this organization in the provinces are rogues, some of whom are suspected of murder.

Declassified E.O. 12356 Section 3.3/NND No. 745017

Displaced Persons - The flow of refugees continues, both from the north and south, and is being handled satisfactorily in most cases, although those from the south have caused a problem at Rimini, where, far from expediting their movement, the CAO is reported to be detaining and fining them for travelling on WD vehicles. P.C. Forli will investigate this case..... Regarding refugees and returning workers from Germany who are detained at Bolzano, it was reported by the Regional Welfare Officer that there is no truth to the rumors that conditions are poor at that camp. A deputation from the Italian Red Cross recently visited this camp and found conditions to be satisfactory. There is adequate medical attention, sufficient food, and transportation is receiving attention. It was pointed out that it is not the responsibility of provinces, communes or individuals at this end to send to this camp for returning refugees.

Food - The Regional Food Officer reported a general dissatisfaction over the 9½ bread. Sopral has asked for 85%, with a smaller bread ration, and this request has gone to A.C. HQ..... The price of bread must be raised, and in this connection the Food Officer requested that he be supplied with figures on baking and milling costs in the various provinces..... It was reported that meat and butter are being consumed now which will be needed during the winter. Refrigeration facilities are available, and every effort should be made to direct meat to these units for preservation. At present a great deal is finding its way to the black market.

Labor - The Regional Labor Officer urged that a close watch be kept on the Camera del Lavoro. They are suspected of being behind many of the recent demonstrations, although they pretend to agree and cooperate with Allied representatives whenever they meet. It was urged that Provincial Labor offices be given utmost cooperation.

Public Works - The Public Works Officer urged that any anticipated public works projects be submitted as soon as possible in order that they might be processed before the turnover..... Regarding the Bomb-crater decree recently received, it was disclosed that the Ministry of Public Works has the power to fill craters on private land if a health hazard exists. Owners may fill in their own craters, after having given notice to the Genio Civile, and the Ministry will repay one-third of the cost. In this regard, a tenant may act for the owner if his lease is in order.

Agriculture - Prices must be raised on meat, milk, rice and pigs. It is appreciated that such action on our part will not be favorably received because demonstrations are common over prices at present. It will, however, insure that these items go to ration card holders, and not to those who can afford to patronize the black market..... Potatoes are being lifted prematurely as a precaution against rotting which might be occasioned by a heavy rain. They will all be placed on the market at once in an effort to keep the price stable.

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Public Safety - Regarding the shortage of CC RR, the Regional Public Safety Officer announced that the ceiling for all of Italy was recently raised to 65,000. This means that Emilia Region may expect approximately 300 additional agents, when and if they become available. In the meantime, plans are progressing for the establishment of mobile units of CC RR, one of which is expected to be stationed at Bologna. There will be about 500 Carabinieri

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

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Economics & Supply - Regarding prices, the Regional Economics & Supply Officer stated that Rome fixes producer prices, while the provinces should fix retail prices which are consistent with local conditions.

Commerce - The Regional Commerce Officer stated that much of the difficulty experienced in obtaining POL is the fault of the Provincial Supply Officers. Bids are not being received here in time (the 2nd of the month for the next month's allotment), and in the case of POL for agricultural purposes, bids are often inadequate..... Regarding coal, it was announced that the supply is limited to what can be transported here by rail from Ancona. More liberal allocations can be expected if requests are based on individual requirements of the factories.

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Public Health - The Regional Public Health Officer stated that reports of Typhoid and Para-typhoid Fever outbreaks are often exaggerated, since they seldom indicate a time element. It was urged that any report of disease or epidemic indicate the number of cases reported or diagnosed within a certain length of time..... Provincial Commissioners were asked to urge their P.S.O's. to give preference to requests for POL etc., for use in ambulances.

4. Comments by the Regional Commissioner

Personnel - The Regional Commissioner prefaced the meeting by announcing the following regional and provincial appointments:

Lt Col Radice	-	P.C. Bologna
Lt Col Walters	-	P.C. Modena
Major Lummus	-	Executive Officer, HQ
Major Young	-	P.C. Reggio
Major Burbury	-	P.C. Forli-Ravenna
Captain Dodds	-	Reg'l Transportation Officer

All present were urged to continue the good work in what appears to be the "home stretch", giving particular attention to provincial administration in preparation for the turnover to the Italian Government.

Local Government - The Regional Commissioner announced that on 9 July Captain Cunningham, representing the Local Government Sub-Commission, is expected to arrive on a tour of inspection. He will be interested in progress made in the preparation of electoral lists, and in the smoothness with which provincial administration is functioning. Provincial Commissioners were urged to give him every assistance. P.C's. were reminded that a list of all Sindaci and giunte appointed by Prefectural decree is required at this Headquarters by 10 July. It was pointed out that under the circumstances, Provincial Commissioners may make appointments of Consiglieri, where necessary. To aid in the selection of Consiglieri, a memorandum outlining their responsibilities and some of the qualifications they should have was handed to the P.C's. by the Regional Legal Officer.

Newspapers - The Regional Commissioner stated that once a newspaper has been approved by the Allied Publications Board it is not within the province of Provincial Commissioners to suspend operations.

Release of personnel - Regarding the readjustment of Officer Military personnel, the Regional Commissioner announced that British officers are designated as being eligible for release on certain dates, and this schedule must be observed. American officers, on the other hand, may not be released until declared non-essential. All American officers in the Region must be declared essential at the moment, but the R.C. has recommended in the cases of all those who have sufficient points for release, that they be declared non-essential when Emilia Region is dissolved.

Winter Line - The Regional Commissioner announced that it is his intention to recommend at Rome that a civilian commission be set up to administer approximately 37 communes which were devastated during the winter along what is known as the "winter line". The [illegible]

Declassified E.O. 12356 Section 3.3/NND No. 745017

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5. Action to be taken

P.C. Modena - To write a letter recommending the suspension of one of his newspapers.

D.R.C. - To provide EM/OR replacements for Parma, if possible.

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Public Safety - a. To contact 5th and 8th Armies regarding advisability of returning shotguns to responsible persons.

b. To confer with Legal regarding action to be taken in release of members of Black Brigade who are at present being held in prisons.

All P.C's. - a. P.C's. or P.S.O's. to submit individual bids for coal on behalf of each industry making a request. These bids should include the name of the plant, what it produces, and the amount of coal needed per month. The dead-line for these requests is 12 July.

b. All provinces delinquent in POL bids for August are to submit bids at once.

By order of Colonel THOMAS:

ALDEN T. HINSON
1st Lt, AC
Adjutant

DISTRIBUTION

Regional Commissioner
D/Regional Commissioner
Executive Officer
All Provincial Commissioners
All Heads of Divisions
HQ Commandant
Adjutant
Chief Commissioner, HQ, AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section, HQ AC(2)
Economic Section, HQ AC (3)
Public Relations Branch, HQ AC (3)
HQ, AMG Fifth Army (3)
File

1077 -

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

Chief Commissioner - Hq. Rc.

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 394

3849

Reference: REM/HQ/C/1/3 15 July 1945

Subject : Regional Meeting - 14 July 1945

To : See Distribution

1. Absentees - Colonel Thomas, Lt Col Ruck, Lt Col Levit, Major Lummus, Capt Schnee, Capt Wardropper, Lt MacNab, Lt Ash, Lt Molfetto.

2. Provincial Commissioners

Bologna - P.C. Bologna reported that unforeseen difficulties are appearing in the appointment of Sindaci, since Italian law states that certain people cannot hold this post. Time is therefore needed to insure that only those eligible have been appointed.

Forli-Ravenna - The Provincial Commissioner of these two provinces stated that much difficulty is being experienced because civilian mail continues to reach these provinces through AMG channels. This is official mail which was authorized some time ago, but it was agreed by all present, including the Regional Postal Officer, that it should now be directed through the normal civilian postal channels.

Reggio - P.C. Reggio announced that since 2 May deposits in the banks of the province have exceeded withdrawals by 700,000,000 lire..... Greater compensation was urged for officials of the People's Courts. At a recent trial of 45 collaborators, just as the proceedings were drawing to a close, the judge fainted and a mistrial was declared. It was a very important trial, involving, among others, the former Prefect, and it is the general opinion that the fainting spell was a ruse..... 920 alleged collaborators are still being detained in Reggio, and the P.C. desires to set a deadline in these cases, at which time, if no charges have been brought against them, they will be released. Some of the charges are absurd, such as in the case of a woman who merely cooked for the Germans, and many should have been released some time ago.

Ferrara - The P.C. of Ferrara reported that nothing has yet been done regarding the vehicles abandoned in the Po. Many individuals wish to salvage some of these vehicles, and the Provincial Commissioner is in favor of letting them do so and have the use of the vehicles for awhile. It was agreed that Autotrasporti should have the use of these vehicles, but nothing has been done as yet, and it is feared that the flood season will arrive before salvage work can be accomplished. The Regional Transportation Officer stated that they should be taken by Autotrasporti, and that the individuals doing the salvage work should be paid from a special fund set up by Autotrasporti for this purpose.

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Piacenza - Trouble is being experienced with the Consorzio Agrario in Piacenza. Pressure is being applied to get rid of certain officials and have a "Consiglio dell'Amministrazione" to govern. The Regional Agriculture

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

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Piacenza - Trouble is being experienced with the Consorzio Agrario in Piacenza. Pressure is being applied to get rid of certain officials and have a "Consiglio dell'Amministrazione" to govern. The Regional Agriculture Officer stated that they cannot have a Consiglio unless there is an election, and an election cannot be held without shareholders. They therefore must have an appointed Commissario, and such an official is desired to act as a buffer between the Prefect and Director. The R.A.O. suggested a good Commissario in the case of Piacenza and urged that he be appointed by the P.C. .... A private concern submitted a plan to the P.C. for the removal of mines in certain areas, and although the plan seemed to be a good one, there was some doubt expressed as to the manner of payment. The Regional Finance Officer stated that this expense could be met by the province. The plan was handed to the D.R.C..... Regarding suppressed Fascist organizations, the Regional Finance Officer stated that all funds are to be handled by the Intendenti di Finanza.

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Modena-Parma - Nothing of general interest to report.

3. Special Divisions

Public Safety - The Regional Public Safety Officer stated that members of the Black Brigade, unless there exists a charge more serious than nominal membership, are to be released in small numbers at a time.

Commerce - The Regional Commerce Officer announced that all coal bids had been rejected because they were not submitted in the proper form. However, 4,000 tons will be received for industrial purposes, which is believed to be all that can be handled with the limited transport which is available.... The handling of demands for certain non-subsistence materials is being handed over to Italian agencies. In this regard the Commerce Officer stressed the need for Chambers of Commerce to act as advisory bodies, and for UPIC as an executive body. UPIC will have the power to freeze goods for the Italian Government. POL bids will be screened by UPIC and forwarded to this Headquarters.

Public Health - Although it has been rumored that ENDIMEA is about to be discontinued and that medical supplies will be handled at dockside by the Italian Government, the Regional Public Health Officer stated that we will continue to operate through ENDIMEA for the time being..... P.C's. were warned that the Region will soon be receiving hospitalized refugees, and it was urged that every effort be made to insure their proper handling. The Italian Red Cross will be the operating agency in this work.

Transportation - The Regional Transportation Officer announced that no captured German or German-requisitioned Italian vehicles are to be released. Returned from the provinces were requested in respect of such vehicles which may be being used at present..... It was announced that additional transport has become available from 5th Army, and anyone desiring transport urgently may obtain it by consulting the R.T.O. personally..... The rail transport situation is bad, especially in regard to north-bound trains.

Agriculture - The Regional Agriculture Officer stated that he had received a signal from Rome stating that UPSEA officials are not to be epurated..... The prices of wheat seed and wool are to be announced in a few days. .... P.C's. were urged to aid in the speedy establishment of Provincial Committees of Agriculture..... It was announced that the CLN of Bologna had organized a meeting between representatives of the tenants and representatives of the landowners, at which the Mezzadria pact was discussed. The results were in many cases heartening, and it is expected that there will be a satisfactory understanding reached at another meeting which will be held in the near future.

Food - Now that the head subsidy is to cease, certain prices will have to be raised in the near future, probably to 7.50 lire for bread and 8.30 for pasta.

1031

4. Comments by the Deputy Regional Commissioner

2 District - The Deputy Regional Commissioner announced that on 15 July No. 2 District will take over from 5th Army. Parma and Piacenza will be

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to be all that can be handled with the limited transport which is available.... The handling of demands for certain non-subsistence materials is being handed over to Italian agencies. In this regard the Commerce Officer stressed the need for Chambers of Commerce to act as advisory bodies, and for UPIC as an executive body. UPIC will have the power to freeze goods for the Italian Government. POL bids will be screened by UPIC and forwarded to this Headquarters.

Public Health - Although it has been rumored that ENDIMEA is about to be discontinued and that medical supplies will be handled at dockside by the Italian Government, the Regional Public Health Officer stated that we will continue to operate through ENDIMEA for the time being..... P.C's. were warned that the Region will soon be receiving hospitalized refugees, and it was urged that every effort be made to insure their proper handling. The Italian Red Cross will be the operating agency in this work.

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2 District - The Deputy Regional Commissioner announced that on 15 July No. 2 District will take over from 5th Army. Parma and Piacenza will be affected.

Borrowed civilian vehicles - It was announced that the arrangement whereby civilian vehicles are borrowed for AMG use is unauthorized and must cease. All were urged to hand such vehicles back and obtain a receipt which has been prepared by the Regional Legal Officer. These receipts will be distributed by the D.R.C.

5. Action to be taken

Postal - To consult with D.R.C. re the use of the civilian posts for civilian official mail.

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G-1 British - To ascertain if British personnel subject to release cannot take the necessary medical exam locally, instead of being required to report to this Headquarters.

Commerce - a. To consult Legal and issue a Regional Order regarding unblocked materials.

b. To bring shortage of transport for Chambers of Commerce to the notice of the Italian Government.

A/Exec Officer - To investigate telephone system and endeavor to improve the service.

All P.C's. - To ascertain if bran is escaping from the provinces and notify the Regional Agriculture Officer of their findings.

By order of Colonel THOMAS:

ALDEN T. HINSON
1st Lt, AC
Adjutant

DISTRIB UTION

Regional Commissioner
D/Regional Commissioner
Executive Officer
All Provincial Commissioners
All Heads of Divisions
HQ Commandant
Adjutant
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section, HQ AC (2)
Economic Section, HQ AC (3)
Public Relations Branch, HQ AC (3)
HQ, Fifth Army AMG (3)
File

10 ''

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

Chief Commissione, Hq. Re.

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 394

24 RECD 1545

Reference: RIX/HQ/C/1/3 22 July 1945

Subject : Regional Meeting - 21 July 1945

To : See Distribution

1. Provincial Commissioners

Modena - P.C. Modena stated that everything is quiet in that province, at least on the surface, and it is the general opinion that this is merely a period of waiting until the departure of the Allies from the scene. .... The Prefect is busy confirming Sindaci, and in very short time there will be a steady administration in every commune. Opposition in this work is being encountered from the CLN, who especially resent the reducing of the numbers of giunte to the legal limit..... A parade of Indian soldiers was fired upon by Italians, which resulted in the death of one Indian. An investigation is under way..... The P.C. objected to the sanctions which have recently been imposed upon Modena province by the Regional Economics & Supply Officer as the result of the failure of certain Italian officials to cooperate in the matter of inter-provincial trade. The Regional Commissioner ordered that, although these sanctions had been approved by this Headquarters, they should now be rescinded in view of our short proposed stay, and because of the fact that those who have been responsible for the violations in the past are the very ones who, through black market connections, stand to profit by the sanction..... The recent order regarding requisitioned vehicles causes a shortage in Modena, but the Regional Transportation Officer stated that if request for requisition had been made prior to 10 July, which had been done in a number of cases, the cars could be retained..... Regarding petrol for mine-clearance work, the P.C. was advised that it was available to the Italian Army through the R.T.O.

Bologna - A delegation of state employees have asked that the most recent decree for raises in wages (NO.116) be applied to them. The Regional Labor Officer stated that he believes this decree will be implemented as of 1 August, but knows nothing of its retroactivity. The decree will automatical apply at the time of the handover.

Parma - P.C. Parma objected to an authorization from the Regional Transportation Officer permitting a cooperative organisation of transporters, who, in his opinion, are hi-jacking partisans operating in the hills, to retai vehicles which had previously been impounded by the P.C. A Dr. Fea and Colonc Gloria had come to Regional Headquarters and succeeded in obtaining authority to retain the vehicles by quoting a 5th Army directive which gave strength to their demands. The Regional Commissioner stated that since Parma is now under 2 District, no 5 Army directive will apply, and the P.C. was authorized to call in the vehicles..... P.C. Parma also presented a poster regarding the formation of a partisan organisation which had emanated from Milan, and which was evidently meant for posting in Parma. The posting has been witheld by the P.C. pending advice from the Patriot Officer.

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Declassified E.O. 12356 Section 3.3/NND No. 750017

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

Forli-Ravenna - The P.C. of these two provinces reported resentment over the fact that deserters from the Republican Fascist forces are still being held in prison, while members of the Black Brigade are being released.

Piacenza - The P.C. of Piacenza sought information as to how the personnel of an Italian Navy recruiting unit in Piacenza could draw rations. He was advised that they were to contact DID..... Information regarding the compensation for members of the CLN was also questioned. It was disclosed that there were 4 members on the board when AMG entered Piacenza, and there are now 8, with still more desiring posts. 9,000 lire a month was voted as compensation, and at one time there was a toll established at a bridge over the Po as a means of collecting funds..... It was announced that one Dumini had been arrested as an accessory in the murder of Matteotti in 1924..... There are still quantities of surrendered arms in Piacenza which should be picked up.

Ferrara - Nothing of general interest to report.

Reggio-Emilia - P.C. Reggio reported a peaceful week in that province. .... About one-half of the partisan police have been disbanded, and the remainder will be released by the 28th.

2. Special Divisions

Legal - The Regional Legal Officer urged patience in the matter of sentences by the People's Courts being confirmed. The findings and sentences must go to the Ministry in Rome for approval, and the investigations there take time.

HQ Commandant - It was announced that the C.O., Company I, and the Supply Sergeant would make a tour of the provinces during the next week for the purpose of checking on U.S. equipment which has been issued to the provinces.

Agriculture - The Regional Agriculture Officer urged that P.C's. or PSO's check on the allotments of POL to ascertain if they have been received, and if so, if they have been properly distributed.

Labor - The Regional Labor Officer announced that since Parma and Piacenza are under 2 District, the flat 75 lire cost of living bonus applies. The other provinces which are under 1 District remain as heretofore, but it is anticipated that 1 District will shortly adopt a similar bonus..... With regard to the demand for workers in the Far East, it was announced that certain localities will receive quotas to fill, and in the absence of any information regarding the quota for Bologna and vicinity, applications should be taken, along with facts as to the applicant's qualifications, and advise them to wait until a definite call is received..... P.C's. may approve labor contracts which are in line with contracts previously approved by the Labor Office, but a copy of the authorization should be sent to the Regional Labor Office for information.

Displaced Persons - It was announced that the Bologna station is to be used henceforth as a repatriation center for soldiers, and not for refugees. P.C's. were urged not to direct refugees to the Bologna station for processing. ..... A small quota of Austrian refugees may now return home. These people should be sent to the camp at Reggio.

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Public Works - A representative of the Public Works Division complained of the slowness with which proposed public works projects are being approved. The Regional Commissioner urged that P.C's. check at once to see where the hold-up is taking place.

Transportation - The Regional Transportation Officer announced that 200 trucks will soon arrive in the Region for formation of trucking pools. In response to his query as to where pools were desired, Parma, Piacenza, Reggio and Modena all requested that their provinces receive a quota.

Commerce - The Regional Commerce Officer announced that a letter is being issued by his office describing the operations of UPIC. This agency will be responsible for the handling of all POL and coal bids. Provincial Supply Officers need only screen bids and counsel the Italian officials on proper procedure, etcetera..... It was announced that there is no longer an Allied control over anything but plywood, leather and hemp.

Food - The Regional Food Officer urged that every means be employed to bring to the attention of the Italians the vital necessity of amassing grain and strictly rationing flour. There will be a grain shortage in the area, and 1,300,000 tons are to be imported. But above this there will be none, and unless there is strict control exercised, there will inevitably be a bread famine in the area.

3. Comments by the Regional Commissioner

Proposed turnover - The Regional Commissioner announced that no definite date has been announced for the termination of our activities here. The A.C. Weekly Bulletin stated that we may close on 31 July, but this has not been officially confirmed, and no statement, either official or otherwise, should be allowed to circulate. The R.C. has asked Rome for as much advance notice as possible in order that there may be a definite break made, with all concerned ending operations simultaneously. All present were urged to devote attention to getting everything in order, especially as regards vehicles and other requisitioned property.

Volunteers for continued service in Italy - The Regional Commissioner announced that he is distributing questionnaires to officers in an effort to learn who wishes to remain on duty in Italy. All were urged to expedite the return of these forms.

Elections - A slight change in the preparation of the electoral lists is necessitated, which will require the attention of all those concerned with their preparation. The eligible age for voters has been lowered from 21 to include those who will attain the age of 21 by 31 Dec 45.

Visit to Provinces - The Regional Commissioner announced that he intends to visit the north-west provinces during the coming week.

Partisan Police - The Regional Commissioner announced that P.C's. should expedite the demobilization of partisan or any other police agents of supernumerary nature as soon as possible. It is desired to have the entire public safety situation in the hands of the CC RR at the time of the turnover to the Italian Government.

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Declassified E.O. 12356 Section 3.3/NND No. 735017

4. Action to be taken

P.C. Forli-Ravenna - To write letter to R.C. regarding the wage differences between these two provinces and the others in northern Italy.

Public Safety - To see that existing stores of surrendered arms and ammunition are picked up before the turnover.

Public Safety and Legal - All Provincial PSO's and Legal Officers are to insure that no AMG cases remain untried after the turnover.

Finance - To advise regarding extra payment in lieu of advance notice for AMG employees (civilian) at the time of the turnover.

Commerce - To consult Petsec and CIP with a view to relaxing the blockade on methane gas which exists between Parma and Reggio provinces.

D.R.C. - To consult 216 Sub-Area re the abandoning of the curfew in Bologna.

All P.C's. - a. To see that POL and coal bids for Sept are submitted by 2 August.

b. P.C's. or PSO's to complete the signing of all Alexander certificates which are ready for signature before withdrawal from the provinces.

c. To see that all proposed public works projects are submitted at once, in order that they may be approved before we leave. All were advised that the chain of processing is from Genio Civile to the Intendente di Finanza to the Provincial Finance Officer to the Regional Finance Officer. Many projects have been initiated, but are now lying along the line, and these must be expedited.

d. To ensure that Provincial Supply Officers and Italian successors get together and understand policy and future procedure.

By order of Colonel THOMAS:

Alden T. Hinson

ALDEN T. HINSON
1st Lt, AC
Adjutant

DISTRIBUTION
Regional Commissioner
D/Regional Commissioner
Executive Officer
All Provincial Commissioners
All Heads of Divisions
HQ Commandant
Adjutant
Chief Commissioner, HQ AC
Executive Commissioner, HQ AC
Deputy Exec Commissioner, HQ AC
Civil Affairs Section, HQ AC(2)
Economic Section, HQ AC(3)
Public Relations Branch, HQ AC(3)
HQ Fifth Army AMG (3)
File

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

HEADQUARTERS EMILIA REGION
ALLIED MILITARY GOVERNMENT
APO 394

Chief Commissioner
Hq Rc.

Reference: REX/HQ/C/1/3 29 July 1945

Subject : Regional Meeting - 28 July 1945

To : See Distribution

1. Provincial Commissioners

Modena - P.C. Modena reported peaceful demonstrations all over the province, which, because of the uniformity of demands (communal control over SEPRAL - alteration in the Mezzadria pact) seem to indicate a central control. There has also been a great demand for grain instead of bread. The Regional Food Officer stated that the Italian Government would not approve a grain issue. .... 42 Sindaci have been appointed and confirmed at Modena, but the Prefettura still lacks senior officials.

Bologna - P.C. Bologna reported that the news of the turnover was received calmly, and no trouble is anticipated in this province.

Piacenza - The situation in Piacenza is quiet. Methane gas allotments to the province have been cut, creating a shortage in the past week. The P.C. reported that he had authorized milk delivery wagons to draw a small amount from August allotments..... The Questura is satisfactory, and the work of the CC RR has greatly improved. Apprehension is reported in the province as to what will happen when AMG leaves, although the P.C. reported that there has been no evidence of large quantities of arms or of any arms carrying.

Reggio - Reggio has had a few demonstrations over the results of the elections in Britain. They were peaceful and orderly, and in the opinion of the P.C., just another occasion to celebrate..... The epuration commissions are still operating and are expected to complete their work within 4 to 6 weeks. .... All police supernumeraries, including those selected from the ranks of the partisans, have been demobilized in preparation for the turnover. All CC RR stations are now manned, but a need was expressed for more officers and NCO's. ..... 30 cases of Maltese fever have been reported from Cinno..... Greater speed was urged by the P.C. in the matter of confirming death sentences handed down by the People's Courts. It was announced that 24 more Fascist murderers have been condemned to death in Reggio, thus bringing to 29 the number of people who are in the jail awaiting confirmation of sentence. Legal advised that the hold up is with the Italian officials in the Ministry at Rome, who must make an extensive review in all cases.

Parma, Forli, Ferrara and Ravenna had nothing of general interest to report.

2. Special Divisions

Legal - The Regional Legal Officer reminded all present that Epuration Commissions have no power to function under GO 35 after 4 August. However, such Commissions are authorized to complete, after 4 August, any cases in which notices of suspension were served prior to midnight of 4 August. Provincial Legal Officers have been notified of this and instructed to advise all Epuration Commissions of the necessity of serving notices of suspension before the handover.

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Commerce - The Regional Commerce Officer announced that there will be a meeting of UPIC and Chamber of Commerce representatives at this Headquarters on Friday, 3 Aug, at 1415 hours.

Public Safety - The Public Safety situation is reported to be much better. The efficiency of the CC RR especially has been improving, and they have been making many more arrests, even of the partisans, who not too long ago were reported to be subjecting the Carabinieri to disarming and other indignities.

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Transportation - The Regional Transportation Officer reported that he had not received receipts for certain vehicles on loan to the Region. These were requested as early as possible.

HQ Commandant - To visit Parma, Piacenza, and Modena on Monday, 30 July, to expedite the turning back of 11 vehicles which have been used by the Region. P.C's. were urged to have the owners present, if possible..... HQ Commandant also announced that all American EM returning from the provinces at the time of the turnover can be accommodated at the HQ billets.

Food - The Regional Food Officer announced that the economic peace of bread will go into effect as of 1 August..... A list of consumer prices has been received, and CO 41 should be amended accordingly. However, this is impossible in view of the short time which this Headquarters has remaining, and these price changes will have to be effected by the Italian Government. .... P.C's Piacenza, Parma, Reggio and Modena were asked to notify their SEPRALS of a meeting in Milan on 31 July at 1000 hours. This meeting will be held in the offices of the Commissario Interregionale dell'Alimentazione.

3. Comments by the Regional Commissioner

Turnover - It was announced that Emilia Region will cease operations as of 2359 hours August 4th.

Reports - The Regional Commissioner announced that all Provincial Commissioners and Heads of Divisions will be required to file two reports:

a. Monthly Report - Due 1 August. To be the same as usual, except that special reference will be made to progress made in the preparation of electoral lists as referred to in AJ/45/A/IG dated 11 July from the Local Government Sub-Commission.

b. Final Report - Not to be a history. Simply a report from each Division and Province on what unfinished business remains and any other information which might be of interest or value to the Liaison Group which will remain in Bologna.

Election Materials - Additional election material has been, or will shortly be distributed to the provinces. In order to facilitate distribution to the communes, P.C's. were authorized to use WD transport.

Reported unrest - The Regional Commissioner announced that shortly after the closing date of 4 Aug had been announced, 5th Army ventured the opinion that the provinces of Bologna, Modena and Reggio were not in condition to be handed over because of reported unrest. The Regional Commissioner asked to be notified immediately of any incidents which give strength to this report.

Personnel - Because of the limited accommodations available at Bologna, all were urged to remain in the provinces until definite transfer orders arrive. These will be sent as quickly as possible, but only as accommodations in Bologna become available.

San Marino - The Political Liaison Officer to San Marino will cease operations with the turnover.

Trips - All trips, other than those of purely business nature, are forbidden until after the turnover.

Closing instructions - Detailed instructions [illegible]

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

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Trips - All trips, other than those of purely business nature, are forbidden until after the turnover.

Closing instructions - Detailed instructions as to closing procedure, disposition of files, etc., are expected from Rome and will be passed to Provinces and Divisions as soon as they are received.

4. Action to be taken

Finance - The Regional Finance Officer will try to locate the June Finance abstracts from Ferrara which are alleged to have reached this HQ, but which were not received at AC HQ.

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P.C. Forli-Revenna - To write a letter to the R.C. regarding the wage differences between these two provinces and others in northern Italy.

All Heads and P.C's. - To give civilian employees as much advance notice as possible of the date when their services will no longer be required.

All P.C's. - a. To notify Prefects officially of closing date.
b. To see that POL and coal bids are submitted by 2 Aug.
c. To see that UPIC knows responsibilities and procedure. Close liaison is urged between Provincial Supply Officers and UPIC officials during these last few days.
d. To include in next monthly report a statement of what they think will happen when AMG withdraws from the area.

Patriots Officer - a. To issue general instructions on the signing of Alexander certificates, giving special attention to Piacenza, where much remains to be done.
b. To advise regarding status of Patriot Officers at time of turnover, including a statement as to what arrangements have been made for their feeding and housing.

P.C. Bologna -To consult with his officers as to the disposition of the Bologna Province Mess fund.

Commerce - To investigate Methane gas shortage at Piacenza.

By order of Colonel THOMAS:

ALDEN T. HENSON
1st Lt AC
Adjutant

DISTRIBUTION

Regional Commissioner
D/Regional Commissioner
Executive Officer
All Provincial Commissioners
All Heads of Divisions
HQ Commandant
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Chief Commissioner, HQ AC
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Economic Section HQ AC (3)
Public Relations Branch HQ AC (3)
HQ AFHQ Fifth Army (3)
File

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CC 558

28 January 1945

My dear Sir Noel:

Thank you very much for your letter of January 26th.

Naturally I should be most pleased if Mr. Nosworthy were to attend our political meetings, though I sincerely hope that it will only be a short time before both you and Mr. Hopkinson are recovered.

Yours sincerely,

/s/ Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

Sir Noel Charles, Bt., K.C.M.G.,
British Ambassador,
84 Via Venti Settembre,
Rome.

10:0

cc: CDS
A Files ✓

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

British Embassy,

Rome.

13/5/45

26th January, 1945.

My dear Admiral,

I am likely to be out of action for a little while yet, and as you know, Henry Hopkinson has had to go to hospital for several weeks.

Until one of us returns to work, I hope you will allow me to send Mr. Hosworthy to represent the British Embassy at the political meetings which you are so kind as to hold in normal times with my United States colleague and myself.

Yours Sincerely,

H. M. Hankey.

(For the Ambassador.)

5-5-2

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

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Commodore Stone
Brigadier Lush

CCS
Cofs

Commodore I.M. PALMER	-	Navy Sub-Commission
Commodore H.W. ZIRCLI	-	Navy Sub-Commission
Air Vice-Marshal W.A.D. Bowen-Buscarlet	-	Air Force Sub-Commission
Brigadier G.S. Parkinson	-	Public Health Sub-Com
Mr. Henry Hopkinson	-	Political Section
Mr. William Schott	-	Political Section
Colonel C.P. Kerr	-	Army Sub-Commission
Mr. A. Antolini	-	Economic Section
Colonel L.D. Demmore	-	Economic Section
Colonel H. Monfort	-	DCCAO, AAI
Colonel H.E. Plake	-	Establishment Section
Colonel R.C.P. Snider	-	Local Govt Sub-Commission
Colonel J.W. Chapman	-	Public Safety Sub-Com.
Colonel A.P.. Grafftey-Smith	-	Finance Sub-Commission.
Colonel W.J. Legg	-	Food Sub-Commission
Colonel R.P. Cripps	-	Civil Affairs Section.

3-2-10

10.58 - Officers who met with Gen'l Wilson
11.15 AM 8/12

A/Q.

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RS/504/20

HEADQUARTERS
A.M.G. REGION V
C. M. F.

MINUTES OF CONFERENCE OF PREFECTS - Headquarters Region V - 20 August 1944

PRESENT:

AMG REGION V
Colonel R. P. Marshall, RC
Lt Col C. H. A. French, Exec Officer
Lt Col H. Middlewood, Reg Agric Officer
Lt Col S. Pickering, RESO
Lt Col J. L. Willis, RLO
Lt Col H. Marshall, RMO
Lt Col N. T. Beard, RFO
Major G. E. Monk, RSO
Capt B. C. Walsh, Ind. & Comm

PREFECTS
Ancona - Avv. Oddo Marinelli
Ascoli - Dott. Guido Broise
Aquila - Dott. Francesco Aria
Chieti - Avv. Gaetano Petrella
Macerata - Dott. Giorgio Aurelio Ponte
Pescara - Dott. Cesare Reo
Teramo - Uff. Giovanni Lorenzini

Also Present - Lt Col H. A. L. Dickie, ACC Agricultural Sub-Commission.

Opening the conference, Colonel Marshall explained that it would be a purely informal meeting for the purpose of coming to an agreement on certain procedures. He expressed appreciation of the fact that the prefects had come to the conference at some effort and difficulty, but said that the Allies had also come to Italy at some effort and difficulty. The Allied Military Government, he said, hopes for no advantage to the Allies, no profit to its administrators. Its sole objective is to aid in restoring an Italian government which represents the free choice of the Italian people, so that Italy may regain control of her own affairs, her own destiny. This requires the full co-operation of Italians, he pointed out, and it is necessary that all activity at every level must be performed by Italian officials. When this goal has been reached, he concluded, we shall all have a grand celebration and the AMG personnel can go home.

1. COLLECTION OF THE HARVEST - Lt Col H. Middlewood

Before the Allies entered Italy, the Regional Agricultural Officer said, they had prepared to make the shipments of wheat necessary to provide a good ration for the Italian people. But because of the faulty co-operation of the Italians and because of the black market, it had been necessary to bring in more food than expected at a time when the shipping was badly needed elsewhere. This had resulted in a reduction of the ration.

The division's first responsibility, he said, was to obtain in Italy materials useful to the army. Its second is to obtain the largest possible crops to feed the Italian people, the third to ascertain the long-term needs to put the second into effect, and the fourth to give all possible assistance in collections of the 1944 harvest.

In this program, he said, AMG is following the program of the Italian government as outlined in the ministerial decree of 28 April and would hold itself solely to those terms. A great deal of education had been proved necessary before the communal committees (the new Italy's first democratic ventures) can function properly. Prefects are asked to use all the influence possible to achieve this end. It would be necessary for the agricultural inspectors to go around the provinces to see that the committees are working, Lt Col Middlewood said. He recommended that every committee make out a program for grain-collection, with due allowances for war damage or any other cause. He said that it should be possible, over all, to equal or exceed the 1942 harvest and that committees which did match the 1942 totals would be considered as having co-operated fully with AMG.

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A much more vigoro policy by all Italian official rom the prefects downward was urged, and a reluc ce on the part of all civilian fficials, including the carabinieri, to adopt a vigorous policy was noted. It was particularly requested that the prefects use their requisitioning authority to make sure that agricultural inspectors had cars.

Attention of the prefects was called to the evils of the retentions system. Farmers are permitted to keep a year's supply of food before the city population has anything. This means it is sometimes necessary for the Allies to transport wheat and flour for many miles at a time when transportation is at a high premium and when there are tons of wheat and flour in or near the town. It was remarked that it was necessary for the Italians to help themselves more than they have done, particularly since the extension of AMG over ever-wider territories meant considerably fewer officers per province.

On the question of agricultural requirements, Lt. Col. Middlewood said that it was useless for inspectors to send in long lists of requirements without careful thought to the requirements and without justification for each point. These requisitions must be made six months in advance and be kept to an absolute minimum.

The prefects were informed that an exportable surplus of 200,000 tons of wheat is expected from the nine provinces of Region V for feeding the large populations of Rome, Naples and the North.

The Prefect of Chieti, Avv. Petrella, raised the question of the lack of oxen in the territories overrun by the Germans and said that he believed some of those driven out of his province were in the provinces of the Marche. The prefect of Teramo, Uff. Lorenzini, asked permission to distribute to the population grain for which no warehouse space is available. Lt Col Middlewood expressed the opinion that a great part of the Teramo problem could be solved by an early transport of the exportable surplus. The Chieti problem was presented as an example of how the prefects of the various provinces might be able to work out some of their own problems by agreement among themselves (with approval of AMG). On other problems, it was suggested that the Prefects make formal written recommendations to the Regional Headquarters, through the Provincial Commissioners. These would be welcomed by the Region and carefully considered.

2. REFUGEES - Lt Col H. Marshall.

To facilitate the rehabilitation of refugees from the forward areas and particularly because of the impossibility of sending more refugees to the south, the four forward provinces (Teramo, Ascoli, Macerata and Ancona) will each be called on to absorb between 2500 and 3000 refugees on a temporary basis. Prefects are to instruct their sindaci to prepare lists of the number which can be absorbed in the various communes, at an average rate of ten per cent of the population. A central camp for the distribution of refugees will be set up in each province near the capital and on main communications lines, capable of handling from 300 to 400 refugees at a time. Cooking utensils, blankets and rations must be provided there. Administration of these camps will be under the prefect, the medico provinciale and the Italian Red Cross, with food obtained through the Consorzio Agrario. When persons are transferred from this camp to the receiving communes they will be given rations sufficient for the time until it will be possible for them to obtain a ration card in the commune. Lists of the numbers to be absorbed by each commune are required within a week, the prefects were told. It will be the duty of the sindaci to have places prepared for the refugees on their arrival. The prefects of Ancona and Macerata, Avv. Marinelli and Dott. Ponte, expressed a wish to be exempted from this program because of the large number of refugees already in the provinces, but were told that the desirability of keeping the refugees as close as possible to their homes would make necessary further inconvenience to the people of the forward provinces.

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In response to Dott[illegible]onte's question, Lt Col Marshall said that a definite scheme for the evacuati[illegible] of refugees who have intact an[illegible]occupied homes in southern Italy is being prepared. Until it is finished, however, none will be permitted to move. At that time it will be put into effect by the use of Regional transportation facilities.

The prefects were also reminded by Lt Col Marshall of the responsibility of the medico provinciale to make a general report and a requisition for medical needs of the following month not later than the 25th of each month and a return of infectious diseases every ten days.

3. FINANCE - Lt Col W. T. Beard.

The prefects were reminded that clear lines must be drawn between obligations dated prior to the liberation of the province and those dated after the arrival of the allies. Payments which have been made since liberation on debts existing prior to the date of the allies' coming must be recovered. Final decision on these indebtednesses will be made by an Italian commission, not by allied authority. The prefects were also reminded of the necessity of preparing their budgets immediately, as no payments for institutions included in the budget could be made until the budget had been approved. They were also warned of the necessity for prompt inspection of the communes, because advances had been made by spearhead AMG officers in many cases.

4. PUBLIC SAFETY - Lt Col S. Pickering

Prefects were warned of their full responsibility for keeping law and order in their territories. Present policy on political meetings is that all parties represented in the government will receive equal treatment, but that no open meetings will for the present be permitted. A shortage of carabinieri will require drafts from some provinces of the Region to fill the needs of others.

Two representatives are now in each province with the purpose of organizing and recognizing the genuine patriots. They will be given certificates and efforts will be made to find them employment. But cases of armed robbery of Italians by persons calling themselves patriots will be strongly suppressed.

The general behavior of the population of Region V has been good, with the recent exception of threats of attacks upon allied soldiers and welfare workers in a single community. The police officers of the region are experienced officers and have not been harsh, but it would be a mistake if this should be looked upon as a symptom of weakness.

5. SUPPLY AND TRANSPORT - Major G. E. Monk.

Establishment of an economic department in the provincial government, even in advance of specific instructions from Rome as to its organization, was urged upon the prefects. Responsibility for economic and supply matters will be in Italian hands. The CCP is not under the prefect but is instead responsible to Rome. This does not, however, relieve the prefects of responsibility over maintenance of PCO, which will be accomplished through the economic department of the provincial government.

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In conclusion, Colonel Marshall urged continued co-operation. Time is vital, he said. The war is won and it is perhaps only a matter of weeks before the Italian government must stand alone on its own feet for all of Italy. It is the duty of Italian officials to take over responsibilities at once, leaving AMG officers free to give assistance. Italy is the first country to be freed from Nazi control; therefore its opportunity today is the greatest in its long history. It is the hope of the Allies that Italy may quickly regain its strength and its prestige in the world.

CONFIDENTIAL

HQ ACC, APO 394
609 Secty Gen.
INAug 44

HEADQUARTERS
ALLIED CONTROL COMMISSION
LEGAL SUB-COMMISSION
APO 394.

ACC/4013/4/L.

6 August 1944.

NOTES OF MEETING OF LEGAL SUB-COMMISSION AND RLOS HELD AT ROME 1 AUGUST 1944.

PRESENT.

Col. R. H. Wilmer	- ACLO	- HQ ACC
Col. G. R. Upjohn K.C.	- Acting Head Adm Sec	- HQ ACC
Col. H. G. Willmer K.C.	- RLO	- Region "Z"
Col. W. E. Behrens K.C.	- RLO	- Region 5
Col. J. W. Chapman	- Acting R.C.	- Region 3
Col. J. K. Weber	- RLO	- Region 8
Lt.Col. D.E.S. Cousins	- RLO	- Region 2
Lt.Col. G. G. Hannaford	- Officer i/c Italian Branch	- HQ ACC
Lt.Col. A. R. Thackrah	- Italian Branch	- HQ ACC
Lt.Col. I.G.H. Campbell	- CJO	- HQ ACC
Lt.Col. M. J. Grossman	- Chief Counsel	- HQ ACC
Wing Comd. H.M. Dickie	- RLO	- Region 9
Lt.Col. E. J. Mercer	-	- Region 4
Lt.Col. A. R. Troxell	- DRLO	- Region 5
Major R.C.S. Alexander	- RLO	- Region 6
Major J.A. Boyd-Carpenter	- PLO	- Foggia and Campobasso
Major F. L. Vecchiolla	- RLO	- Region 1
Major G. A. Bamlet	- ARLO	- Region 3
Major R. C. Hendrickson	- RLO	- Region 4
Major D. C. Little	- RLO	- Region 7
Capt. W.G.R. Oates	- DRLO	- Region "Z"
Capt. F. L. Peyton	- LO	- Region 4
Capt. R. A. Gaziano	- DRLO	- Region 4
Capt. J. More	-	- HQ ACC
Lieutenant H.G.T. Christians	- LO	- Region 8
Lieutenant W. G. Bryce	- Italian Branch	- HQ ACC

1. Personnel and Promotions.

The ACLO informed the meeting that legal personnel was now down to 57 legal officers who were actually acting in that capacity at the present time. He stated that the Legal Sub-Commission was doing all it could to bolster up this total and he was desirous that any RLO who was able should furnish to Capt. More after the meeting a list of officers in their Regions who, although they were lawyers, were not performing legal duties at the present time. It would then be possible to make enquiries to ascertain whether they could be formally assigned as legal officers.

10.

The ACLO with regard to promotions stated that one of the most unfortunate

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Major G. A. Barlet	- ARLO	- Region 3
Major R. C. Hendrickson	- RLO	- Region 4
Major D. C. Little	- RLO	- Region 7
Capt. W.G.R. Oates	- DRLO	- Region "Z"
Capt. F. L. Peyton	- LO	- Region 4
Capt. R. A. Gaziano	- DRLO	- Region 4
Capt. J. More	-	- HQ ACC
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10.

The ACLO with regard to promotions stated that one of the most unfortunate things that had arisen was that officers in the field who were constantly being moved round were frequently overlooked when the question of promotion arose. He urged RLOs to keep these officers in mind when the question of promotion arose in order to avoid any injustice that might happen in this way. He further stated that if information was desired as to the status of any officer the correct people to approach were respectively Major Stearns (American) and Colonel Farren (British)

Colonel Upjohn, the Acting Head Adm Sec, stated that as far as British promotions were concerned he understood ACC had almost reached the authorised ceiling and advised RLOs, in view of the fact that for some time to come promotions, especially to senior ranks, would be on a limited scale, not to make too many promises of promotion to their officers for it was quite possible that the officers concerned might be disappointed.

File Action

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2. Policy of keeping A.M. Courts to a minimum in Military Government Territory and initially placing burden on Italian Courts.

The ACLO stated that everything possible must be done, in view of the great shortage of legal personnel, to place the burden of as many cases as possible in Military Government Territory initially in the hands of the Italian Courts. He stated that this policy was working well and A.M.Court cases should continue to be kept to a minimum.

3. Statement of Policy on holding Courts in Italian Government Territory.

The ACLO stated that this question was intended primarily for the benefit of RLOs whose territory was being or might later be restored as RLOs whose territory had already been restored to the Italian Government for some time were well aware of the reasons for keeping A. M. Courts in restored territory to the minimum. He stated that this question had been dealt with in Executive Memorandum No. 72 prepared by Col. Upjohn, copies of which had been sent to all Regions, but he would stress that only in any of the following three circumstances would application be made for an Allied Military Court in Italian Government Territory :-

(a) exceptional circumstances. The ACLO emphasized the fact that the Chief Commissioner when he had been with ACC and now the Acting Chief Commissioner both felt that those cases must be kept to a minimum.

(b) When Italian Courts were not performing their functions satisfactorily.

(c) when a series of offences have broken out in a particular area and it was necessary to take quick, vigorous action to put a stop to the offences. The ACLO stated that the mere handing out of punishment by AMG Courts was not enough to put a stop to the particular offences and it was essential that people in the neighbourhood should be made aware of the consequences of such an offence by publication in a local newspaper or other means. He stated that if this was not done it was an absolute waste of AMG Courts insofar as deterrent effects were concerned.

4. Discussion of Consolidated Directive on Duties of LOs in restored territory.

Capt. More stated that this was merely a consolidation of all the directives that had been issued from time to time in connection with the duties of LOs in restored territory. He stated that he did not think the directive required any explanation and trusted that it would prove helpful to legal officers.

He stated that with regard to 1 (b) of the directive it was not possible to communicate the Armistice Terms or any subsequent terms in written form as they were most secret documents but that any RLO who wished could see them after the meeting.

With regard to para.4 in the directive which dealt with War Crimes, Capt. More stated that this subject had caused a certain amount of difficulty in the past. Copies had now been taken of the directives issued by AFHQ and NATOUSA and would be distributed to RLOs after the meeting.

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The ACLO stated that copies of this Consolidated Directive were being issued to all regions, even forward areas where no territory may be returned to the Italian Government for some considerable time, but this would give the legal officers a greater time to study in advance the problems in this connection and to shape their own thinking and planning along these ultimate lines.

With regard to para.2 (iv) of the directive Col. Behrens stated that he noted that records of all outstanding cases were to be prepared for transmission to Italian authorities and enquired if this would affect the monthly return that had to be submitted. Capt. More stated that the records should not

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include cases of which the Italian authorities had already had particulars.

Colonel Upjohn informed the meeting that with regard to monthly reports the Acting Chief Commissioner desired that these reports should be much longer and more detailed as both London and Washington had complained that they were not being informed of the activities of ACC.

Lt.Col. Cousins enquired whether Legal reports received should be included in RLOs monthly reports sent to this Sub-Commission.

Lt.Col. Grossman stated that there was no objection to RLOs attaching PLOs separate reports as long as the RLOs in their main reports incorporated summaries of the important parts of PLOs reports.

The ACLO mentioned as a matter of interest to legal officers that with regard to the trial of more serious cases in Italian Government Territory or other territory where the death penalty is involved he had noticed in a newspaper recently that the Italian Government was proposing to issue a decree doing away with the death penalty. He further stated that Legal Sub-Commission had not to date had any information in this connection from the Ministry of Justice although he understood it had been approved by the Council of Ministers and the matter was accordingly being taken up with the Minister and he hoped to be able to give RLOs further information shortly.

5. Defascistization and Epuration.

Lt.Col. Hannaford said that the new decree of 29 July embodied all previous legislation on this matter with many amendments. It appeared to be a workable instrument.

The general idea was that all untried offences committed by fascists would be tried by ordinary courts under the provisions of the code existing at the time the offence was committed. As far as purgation was concerned each Ministry would appoint a Commission to eliminate undesirable elements from the administration from top to bottom

Provincial commissions would be formed by the Prefects to deal with local institutions.

The job of LOs in regions would be mainly to ensure that the local courts did act swiftly and energetically with cases brought before them under the decree and to see that undesirable officials were removed without undue delay.

Serious cases of high officials would be dealt with by the newly formed High Court in Rome.

Copies of the decree in English had been sent to all RLOs.

Col. Upjohn stated that so far as epuration was concerned he had been having conferences [illegible]day with Count Sforza and he was urging that everything be done to push on with the matter. He further stated that the main burden of supervising the work would necessarily fall on Sub-Commissions but it was the duty of Regions to see that nobody escapes who should be sacked. The great difficulty all along had been to get the Italians moving but now he had great hopes that we were getting somewhere.

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Wing Comd. Dickie raised a point concerning numbers of people who were found in gaol and who had been put there by genuine partisans and asked what should be done with them.

The ACLO stated that this was a tricky affair and it would be hard to judge if these people in gaol were or were not fascists. However, this was not a matter primarily for AMG but a local one for the Italians to sort out.

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A question was asked as to how far the PLO was to go in easing the Prefect to run the Commissions.

Colonel Upjohn stated that the new decree was different from the old in that Commissions did not move into the country but were dealt with centrally. There were no Provincial committees.

6. Explanation of the "Blue-Book" of Italian Decrees.

Lt.Col.Thackrah introduced the "blue-book" of collected decrees previously published in the Official Gazettes and stated that copies of same were being distributed to regions. He explained the complications that had arisen regarding Italian legislation on the advance of the Allied Armies and particularly when the question arose of restoration of further territory of Regions 3 and 5 to Italian Government on 20 July 1944 since the legislation passed in Brindisi and Salerno days had not come into force in territory acquired after the Allied offensive of 11 May. He stated that from 8 September 1943, the date when Badoglio had to leave Rome, until the capture of Rome the so-called Fascist Republican Government had been publishing its own legislation and it had therefore been necessary to fill this vacuum by a reprint of decrees. He stated that a directive on this subject addressed to all RLOS dated 25 July 1944 had already been sent out.

He informed the meeting that by the endorsement of the Executive Commissioner on page 661 of the new book all the legislation contained in the collection of decrees with the exception of the Decrees of 14 January 1944, No. 13, 5th April 1944, No. 96 and 5 May 1944, No. 133, became the law of Military Government Territory on the date of receipt of the collection of decrees by the Prefect of each province. Copies of this "blue-book" were being sent out to all RCs etc that day.

He stated that there was one slight change in the future implementation of decrees as explained in the Sub-Commission's directive of 25 July 1944 namely that ordinary issues of the Gazzetta Ufficiale would bear an endorsement by the Executive Commissioner ordering that all decrees printed therein or in previous issues, with the exception of certain enumerated decrees, would become operative in each province within Military Government Territory on the date of receipt thereof by the Prefect of each province. He warned the meeting to look out for the exceptions.

Lt.Col. Thackrah stated that there was one point which concerned the Commune of Naples. He stated that it was now desired that the Provincial Commissioner who had handled the Gazzetta Ufficiale for the Naples Province prior to the restoration of the province to Italian Government administration should handle the Gazette for the Commune of Naples only. Otherwise the distribution would be the same as hitherto.

Colonel Upjohn enquired what provinces now received the Gazzetta Ufficiale.

Lt.Col.Thackrah stated that it was now being circulated in the following provinces - TERAMO, AQUILA, PESCARA, CHIETI, ASCOLI, TERNI, VITERBO, RIETI, ROME (including Commune of ROME), FROSINONE, LITTORIA and NAPLES Commune.

reports thereon.

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were being distributed to regions. He explained the complicated [illegible] arisen regarding Italian legislation on the advance of the Allied Armies and particularly when the question arose of restoration of further territory of Regions 3 and 5 to Italian Government on 20 July 1944 since the legislation passed in Brindisi and Salerno days had not come into force in territory acquired after the Allied offensive of 11 May. He stated that from 8 September 1943, the date when Badoglio had to leave Rome, until the capture of Rome the so-called Fascist Republican Government had been publishing its own legislation and it had therefore been necessary to fill this vacuum by a reprint of decrees. He stated that a directive on this subject addressed to all RLOS dated 25 July 1944 had already been sent out.

He informed the meeting that by the endorsement of the Executive Commissioner on page 661 of the new book all the legislation contained in the collection of decrees with the exception of the Decrees of 14 January 1944, No. 13, 5th April 1944, No. 96 and 5 May 1944, No. 133, became the law of Military Government Territory on the date of receipt of the collection of decrees by the Prefect of each province. Copies of this "blue-book" were being sent out to all ROs etc that day.

He stated that there was one slight change in the future implementation of decrees as explained in the Sub-Commission's directive of 25 July 1944 namely that ordinary issues of the Gazzetta Ufficiale would bear an endorsement by the Executive Commissioner ordering that all decrees printed therein or in previous issues, with the exception of certain enumerated decrees, would become operative in each province within Military Government Territory on the date of receipt thereof by the Prefect of each province. He warned the meeting to look out for the exceptions.

Lt.Col. Thackrah stated that there was one point which concerned the Commune of Naples. He stated that it was now desired that the Provincial Commissioner who had handled the Gazzetta Ufficiale for the Naples Province prior to the restoration of the province to Italian Government administration should handle the Gazette for the Commune of Naples only. Otherwise the distribution would be the same as hitherto.

Colonel Upjohn enquired what provinces now received the Gazzetta Ufficiale.

Lt.Col.Thackrah stated that it was now being circulated in the following provinces - TERAMO, AQUILA, PESCARA, CHIETI, ASCOLI, TERNI, VITERBO, RIETI, ROME (including Commune of ROME), FROSINONE, LITTORIA and NAPLES Commune.

7. Military Courts Handbook and new Forms: reports thereon.

Lt.Col. Campbell enquired whether any legal officer present desired to raise any point of fundamental principle in connection with this subject. If it was a minor point he would be available to give assistance after the meeting. There were no fundamental points raised.

8. Hearing of Spy Cases in Camera: Presence of Accused.

Lt.Col. Campbell stated that in some cases the security agencies tried to persuade the Courts to deviate from normal and proper procedure. He gave the example of how in one case they had asked that the evidence of an agent be given only to the members of the court, without the presence of the accused or his representative. He stressed that, though it is quite proper to hold these trials in camera, the proper procedure must be followed strictly.

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9. Confessions in Spy Cases.

Lt.Col. Campbell urged the necessity of the closest scrutiny of alleged confessions. "Confessions" varied from a full and frank story written by the accused in his own hand to verbal evidence by security agents based on recollections of an interrogation which may have taken place many weeks previously. It was the duty of the Court to weigh in any particular case the weight which might properly be attached to any such confession.

10. Alleged leniency in spy cases.

Lt.Col. Campbell stated that HQ AAI, G.S.I(b) would like to see a higher proportion of death sentences in cases in which a person had been convicted of espionage. The proper approach to the question of sentence was this: that the normal penalty for espionage is death, but that there are a variety of circumstances (such as youth, acting under the influence of a stronger will or particularly low intelligence) any one of which might well justify the court in imposing a sentence of imprisonment instead of death. The above remarks were to be taken as a general statement of policy and were not to be taken as an attempt to influence anybody: sentence was a matter of discretion for the Court in each particular case.

Wing Comd. Dickie asked whether youth should be a reason for leniency, as he understood that previous instructions had been to the contrary.

Colonel Upjohn stated that up to March of this year many of the spies caught had been very young but the Germans now seemed to have changed this policy as very few of the spies caught recently had been youths. Probably the enemy had realised that it did not pay to send youths on espionage missions.

11. Spy Cases: future responsibility for handling these on elimination of SIOs.

Lt.Col. Campbell stated that unless an Army wished to deal with any particular spy case, it would henceforth be the responsibility of the RLO of the Region that would ultimately be responsible for that area to arrange for the trial of spies.

Wing Comd. Dickie stated that as far as 5th Army were concerned they liked to deal with their spy cases in their own area and he thought that there would be repercussions if cases were sent out of the area.

12. Severity of sentences in wire-cutting and other cases.

Lt.Col. Campbell stated that while it was agreed that sentences should be deterrent no court should ever impose any sentence which it does not think should be served. A sentence of 2, 3, 5 or even 7 years was quite sufficient normally to discourage neighbours from committing a similar offence.

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Col. Behrens asked whether these cases had to be reviewed again on restoration of territory to Italian Government.

Lt.Col. Campbell said that the answer was "no" unless they fell within the class of cases in which a harsh sentence was imposed "because of military considerations which no longer prevail". (see Executive Memorandum No. 72, 2 (c)(i)).

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13. Publicity in Theft Cases.

Lt.Col. Campbell stated that publicity was a difficult question. It is bad policy merely to publish a list of exceptionally heavy sentences. He thought it much better, if it was found that any particular offence was on the increase in a certain city or area, to commence a publicity campaign in local newspapers to warn the local inhabitants of the possible consequences.

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14. Photography in Court.

Lt.Col. Campbell called the attention of all present to the directive Ref/20/1/CA of 31 May 1944. No deviation from the terms of this directive is permissible.

15. Court Stenographers: use and payment.

Lt.Col. Campbell stated he would issue further instructions on this point when information was available from Finance Sub-Commission and G.1.

The ACLO stated that with regard to EMs he understood that Finance Sub-Commission was quite willing to recognize payment for reporting services as was done in U.S. Court Martial cases.

Col. Behrens stated that he believed that under United States Army Regulations an EM was entitled to be paid something like 10 cents for each 100 words taken in shorthand and transcribed satisfactorily and that such extra pay would be met from the annual appropriation for expenses of Courts Martial etc.

16. Proper method of taking note of evidence.

Lt.Col. Campbell gave a number of instances that had occurred of the faulty taking of note of evidence. He stated that the correct way to take a note of evidence was by a consecutive story in the first person. He requested RLOs to spread this in their regions.

17. Records: tidiness and legibility essential.

Lt.Col. Campbell requested the meeting to ensure that in future all records submitted for review were prepared in a decent manner. He stated that in the past records had been in some instances submitted in a shameful condition, torn and illegible. If, for any reason, it became necessary to show such a record to the Chief Commissioner or to any other HQ it reflected badly on our courts.

19. Distribution of legal publications.

Note : The remarks made by Lt.Col. Campbell are now out of date. On account of increased demands a reprint is being made of the following :-

Consolidated Instructions (with Proclamation 1,2,3 & 4)
Proclamations 1,2,3 & 4 in booklet form.
Rules of Procedure (in Italian).

20. Italian Judicial Personnel in newly occupied territory; army orders relating thereto.

Lt.Col. Hannaford stated that with regard to this matter certain principles were laid down by the army concerning these officials and many had been dismissed on the spot. He stated that commissions had been formed to go into the question of all judicial personnel and the job of screening personnel was going forward as quickly as possible. He stated that it was generally much better to keep an Italian Judicial Official in his position

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The ACLO stated that cases had occurred where officers of ACC had promoted officials to higher grades. He stated that this was quite illegal as this was the affair of the Italian Government and it was quite unfair to increase an official's salary or promote him into a higher grade as invariably he would lose his grade and increased pay at a later date and that caused hardship to the man himself and often resulted in hard feeling.

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Under conditions of necessity a man might temporarily be promoted to a higher position and would get the higher salary, but ACC could not change his civil service grade. Each person so promoted by ACC should understand that it was temporary only.

23. Forward movement of Italian Judges.

Lt.Col. Hannaford stated that the forward movement of Italian judges was constantly being looked into by this Sub-Commission in conjunction with the Italian Government and it was endeavoured to send suitable personnel to forward areas as quickly as possible. He further stated that the question of transport was a sticky one. The Legal Sub-Commission had no transport available to ensure the transfer of personnel and he was afraid that it was purely a local problem.

Wing Comd. Dickie stated that in many instances Italian officials had not remained in positions to which they had been sent and this complicated the whole question. He asked that it be impressed on all Italian officials the necessity for remaining in the positions to which they had been allotted.

21. Jurisdiction of Italian Courts re Proclamation Offences.

The ACLO states that having regard to the fact that the policy was to hand over as many cases as possible to the Italian Courts to deal with, the Legal Sub-Commission had for some time past been going into the question of offences under Italian Law corresponding to offences established by Proclamations of AMG. He stated that he had had conversations with Professor Forte, who is one of the leading legal authorities in Italy, and the latter took the view that if an Italian Court once assumed jurisdiction of Proclamation offences as such its action in cases of this nature would be legally unassailable in Italian Courts later.

The ACLO went on to say that Lt.Bryce of the Legal Sub-Commission had prepared a very excellent "Analogy between offences established by the Proclamations of the AMG and corresponding offences under Italian Law. Copies of this analogy had been made available to RLOs. He said that the better practice was to try cases in the Italian Courts under Italian law rather than under the sections of the proclamations. The same holds true as to offences under General or Regional Orders which generally were found to have their Italian counterparts.

Regional Orders.

1052 The ACLO stated that although this subject was not included in the agenda he was desirous of saying a few words in this connection. He referred to Executive Memorandum No. 68 which had been issued recently to clarify the principles which should govern the issuance of Regional Orders. He stated this Memorandum was supplemental to Executive Memorandum No. 30 on the subject. He asked RLOs to make special note of these Memoranda and reminded RLOs that as all Regional Orders by whatever named called had to be submitted to them before signature and that it was the responsibility of the RLO to see that the order was one that could properly be dealt with by the Region and without first obtaining permission from higher authority. He stressed this point as recently

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22. Applicability Ammassi Penalty Law of 4 July 1944.

Lt.Col. Thackrah stated that a problem had recently come from Region 2 in connection with the heavier penalties for ammassi offences under the new decree law of 4 July 1944. He stated that the decree law in question which increased penalties for failing to amass had been signed on the 4th July, was published on the 8th July and made effective on the 9th July and the point had arisen, owing to the lateness in signing the decree, as to what cases were excluded from its orbit. Some Procuratori had agreed that since producers were supposed to amass as soon as they had harvested and since no date as to which they must do so

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had been fixed, failure was essentially a continuing offence and all defaulters could be prosecuted under the new decree, whether their failure commenced before July 9 or not, since it continued up to the time of conviction; others did not agree with this view and held that if an offence was committed prior to July 9th, the accused could only be tried under the decree of April 1943. Lt.Col. Thackrah went on to say that the Italian Branch of the Legal Sub-Commission were taking this matter up with the Minister of Justice and had suggested that the Minister forward a circular to the Presidents and Procuratori Generali stressing that offences for non armassing should be punishable under the provisions of the new decree, even if the offence was committed before 9th July, provided no arrest had been made. Lt.Col Thackrah stated that he was sorry he was unable to give the meeting the considered opinion of the Minister of Justice owing to the fact that that gentleman was at present in Naples but he hoped the problem would soon be solved satisfactorily.

Lt.Col. Cousins enquired whether the decree applied only to producers. Lt.Col. Thackrah stated that it was intended to apply to everybody concerned - whether producers or not.

24. War Criminals - Directives and Circulars.

The ACLO stated that the Legal Sub-Commission had received certain queries on this subject recently. Three directives had been issued in this regard from time to time by AFHQ dated respectively 27 November 1943, by NATOUSA on 26 January 1944 and by the British authorities on 6 February 1944. Capt. More has now had these three directives mimeographed and he would hand them out to RLOs after the meeting. He further stated that Lt.Col. Grossman was engaged in a study of these circulars and when he had finished his work on this a letter would be put up to AFHQ asking for more particular instructions, definitions etc. Nothing further could be said on this question for the present.

25. Accused persons before Allied Military Courts claiming to be patriots or partisans.

The ACLO stated that a new plea that accused persons before A.M.G. Courts were making was that they had been patriots or partisans. He stated that it was very hard to judge in these cases whether or not the accused had ever been a partisan or patriot and he warned all officers who might be confronted with such a case to be quite sure that the person is what he claims to be before reducing his sentence on such a claim.

Col. Upjohn stated that he thought the accused should hold a certificate to this effect, or perhaps a letter of thanks and possibly mention of cash payment.

It was also pointed out that each commune had a list of partisans and patriots.

26. Armistice Terms and Reservations.

The ACLO stated that as mentioned earlier in the meeting there was a set of the Armistice Terms and hand-over documents and that if RLOs had not had an

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27. Date of the Next Meeting.

The date of the next meeting was provisionally fixed for 20 September at HQ ACC.

28. Discussion of individual cases.

There then ensued a general discussion on a number of individual cases and the meeting was finally adjourned at 1130 hours.

Richard H Wilmer

RICHARD H. WILMER.
Colonel, CAC.
Acting Chief Legal Officer.

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1944

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COPY SECRET

HEADQUARTERS,
ALLIED CONTROL COMMISSION,
APO 394
Office of the Executive Commissioner

6th August 1944

Acting Chief Commissioner.

1. I attach rough minutes of the conference held in NAPLES on 4th August. As a result I wish to recommend for your approval the amalgamation of Regions II, III and VII, into one Region to be known as Southern Region, with Headquarters at NAPLES. This Region will have five Provincial centres at FOGGIA, BARI (or BRINDISI), TARANTO, CATANZARO, and NAPLES. The total strength of Allied officers will be approx. 100.

2. It will be essential for the success of the amalgamation that every officer be mobile. Moreover, in order that the Italian officials can function successfully it will be necessary to hand over to them all cars now requisitioned. The result of this will be a shortage of 50 WD vehicles which we must obtain in some way or other. I have already taken this up with AFHQ.

3. I recommend that Colonel C. E. Temperley (Br) be appointed Regional Commissioner of Southern Region, with Colonel Chapman (A) as his deputy, at any rate temporarily in order to hand over the Region. Lieut. Colonel White (Br) can remain for the moment until we have found an adequate American Officer for Colonel Temperley.

4. I should be glad to be able to inform Colonel Temperley, who is now in ROME, of your decision in order to make preliminary plans with him for the change over which should be, I submit, begun on 15th August and completed by 31st August.

/s/ M. S. L.

Brigadier,
Executive Commissioner.

1051 MSL/JG.

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C O P Y

Minutes of conference held at Region 3 Headquarters on 4 August 1944 at 1435

Present were: Brigadier LUSH, Executive Commissioner, ACC.
Col. Adams, Transportation Sub-Com, ACC.
Col. Temperley, Provincial Commissioner, Foggia Prov.
Col. Legg, Food Sub-Com, ACC.
Col. Chapman, Regional Commissioner, Region 3
Col. Zellars, Regional Commissioner, Region 2
Col. Evans, Commerce Sub-Com, ACC
Col. Densmore, Chief Staff Officer, ACC
Col. Albright, Establishments Officer, ACC
Lt Col Jenney, Public Works and Utilities Sub-Com, ACC.
Lt Col Hartman, Agriculture Sub-Com, ACC
Lt Col White, Executive Officer, Region 3
Lt Col Feasey, Regional Commissioner, Region 7
Major Stewart, M.A. to Executive Commissioner, ACC.
Major Knight, Reg. Supply Officer, Region 2.
Major Washer, Economic Section, ACC
Lt Comdr Schlee, Hemp Control Officer, Region 3.
Mr. Antolini, Executive Director, Economic Section, ACC.
Mr. Caccia, Political Section, ACC.
Mr. Shott, Political Section, ACC.

Brigadier Lush opened the meeting and told the assembly that he called this meeting in order to discuss the possibility of consolidating Regions 2 and 7 with Region 3. The Ex. Commissioner pointed out that it is felt by the Actg. Chief Commissioner, that large parts of the Southern parts of Italy should be turned over to the Italians entirely and it should be decided in the meeting if this would be possible and practicable. He said that the decision will not cause any inconvenience. It is planned to have a Regional headquarters in Naples and not more than 6 Provincial Teams. It will be necessary to retain Allied Officers in areas where there are Allied Troops. Another reason for retaining ACC Officers in these areas is an administrative one. The third one is a political one. This step would be an intermediate one, and later on the entire southern part of Italy would be turned over to the Italians. The Brigadier stressed the fact that these teams would have to be mobile and would look after areas, wherever needed. Where Allied forces are stationed there should be an officer of ACC. This would mean that large areas will not be covered by ACC officers at all and in these parts it will be up to the Italian Local Governments to make decisions alone. Sooner or later, the Brigadier pointed out, it must be up to the Italians to stand on their own feet. The longer we remain resident and the longer we remain in a position of personal control and supervision, the more difficult it will be to go away. Another point is the drastic reduction in personnel, which has to be made in order to supply the north with experienced officers. The main factor however
10 is to give the Italians a chance to see what they can do in areas.

The main reasons for the consolidation are administrative, political and economical. The criterion will always be the Allied Troops and installations. As long as we can get over the economical and food problems, this will work out very well.

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Col. [illegible] pointed out that it is better to make a start at some time, now, and give the Italians a fair chance of a start. Lt. Cancia, Political Section (B) stressed the same facts. We should build this new government up. The present Italian government is a very weak one. It is a coalition government, having 6 parties competing with each other. The Allied policy will be to back them up, if they fall down. From the political point of view, we are interested how far they are able to go. We certainly will help them administratively too. Mr. [illegible], Ec. Director, ACC, pointed out that we have built up an "Industrial Production Program". This will reflect on industry and public works. The main work is carried with the Italian Ministry of Industry, which shows the will and intelligence to cooperate. Lt. Antolini revealed that we have some stocks of materials, which will be distributed. New factories will start production very soon. He also stated that a program in the agricultural side is set up by the end of the month. This pertains to Public Works as well. The consolidation of the economic sins will be handled from Reg. Hq. We have some 50 Italian Engineers and we will find out what they can do. Let us find what the Italian can do and give them a start. Mr. Antolini stressed the fact that the following priorities exist for transportation of goods: 1: Grain, 2: Fruits and vegetables, 3: Olive oil, 4: Wine.

Brigadier Lush asked the Reg. Commissioners for their opinion in regards to this new consolidation.

The Provincial Commissioner of Foggia Province, Col. [illegible], suggested that the new Regional Headquarters would be in Rome, since the Eternal City is the seat of the Italian Government. It would take too long time to get in touch with them through duples.

Lt. Col. [illegible], Region Commissioner, Region 7, pointed out, that there are no troops in Calabria and that the presence of Police officers will be essential. Besides that there are some Allied Deserters there. Brig. Lush asked the Reg. Com. what would happen, if there would be no officers at all in the Region and the answer was: Riots and disorder. There have to be Allied officers in the Region, in order to back the Italians up.

Col. [illegible], Regional Commissioner, Region 2, pointed out that the Army must know what is going on. The Italians must know that the Allied back them up and this is up to ACC. They are very fearful. Then we must give them some means. The motor transportation problem is very serious. He agreed with Naples as Reg. Hq.

Col. [illegible], Regional Commissioner, Region 3, pointed out, that the only way to master this situation is, to have teams of a very mobile character. He said, that he can centralize, but it is long way from being mobile. The Colonel said that he can see the necessity for the administrative change, but now is not the time.

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From the political point of view, Naples is the center of political activities and not Rome. Here in Naples is the greatest concentration of organized labor. All movements have their Hq here in Naples. The Italian Government

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is in Rome and they have left officials here in Naples. They have never announced a program. Everything is in a state of chaos. From the economical point of view: The Army has got the factories which are left. Every factory in Region 3 is not in our hands. The agricultural situation is bad. After we turned over the Provinces to the Italians, 24 hours later the IRI industry went out of control. We had enough in Naples province to export.

Grain: There is no cooperation from the Italian officials. The Italian officials are advising farmers not to bring the grain to granaries. We will have only one half of it. The complaint is that price is too low but he was not prepared to agree with this entirely. Then the farmers have no confidence in the money. The Italian farmer would rather have his grain than money. Brig. LUSH asked if this is due to lack of officers. Commander SHILLS, Resp Controller points out the need of control. Another problem Col. CHAPMAN brought up is the lack of transportation. In coming through this country, we have stripped it of all transportation. How are the officers going to operate without motor transport. Asked by Brig. LUSH, if our presence is necessary, the Colonel answered: The Italian if we do not stay. We have broken one promise. We have taken grain from Salerno and never returned it, even though we have promised to do so. To come back to transportation, the Colonel pointed out that 90% of our transportation consists of requisitioned cars. He asked the Brigadier about this problem. Brig. LUSH did not give any promises of getting the cars, but promised to do his best to supply the Region after this new set up goes into effect.

Brig. LUSH said that in his opinion it does not matter if there are riots among the Italians, as long as they do not affect Allied interests, the Allied War effort, or government. Brig. LUSH pointed out that we must let rural areas be governed by the Italians. Col. CHAPMAN pointed out that the new Reg. Hq. should be in Naples, rather in Rome, because of the port and all the other reasons mentioned before. From food standpoint, Col. LEGG pointed out, that it will be necessary to have some distribution points all over the new region, with a central administration in Rome.

In closing, Brig. LUSH announced the new Provincial teams with Hq. in Foggia, Taranto, Brindisi, Catanzaro, Naples and Salerno. He pointed out that the new change will be more an administrative than an establishment change. Leave the Italians alone, as long as Allied interests are not concerned. The Brigadier announced that the new consolidation would probably go into effect on 31 August 1944. After a discussion regarding the number of officers to be assigned to the new set-up, the meeting adjourned at 1750 hours.

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SHH/epc

TELECOMMS

Minutes of Meeting on Civil Censorship held May 16th, 1944

At A.C.C.Rear Headquarters

DSA 273
20 MAG 1944

Present:

Chairman: Captain Ellery W.Stone	-	U.S.N.R. Deputy Chief Commissioner, A.C.C.
Colonel J.L.Henderson	-	Director, Communications Sub-Commission, A.C.C.
Major H.H.Scudder	-	D/Director, Communications Sub-Commission, A.C.C.
Major G.W.McKean	-	Civil Censorship Officer, A.C.C.
Capt. H.T.Shepston	-	Civil Censorship Group, A.C.C.
Capt. A.J.Tria	-	Civil Censorship Group, A.C.C.
H.E. Mario Fano	-	Undersecretary of State for Telecommunications and Posts.
H.E. Giuseppe Solimena	-	Director General Public Safety - Ministry of Interior.
Lt.Col.Camillo Ducros	-	Chief of Censorship - S.I.M. - Comando Supremo.
Capt. Luigi Grandini	-	Censorship Office - S.I.M. - Commando Supremo

Capt.Stone opened the meeting by stating that the two chief reasons for the conference were to discuss:

1. Proposed transfer of operational control of censorship of internal mail and telegrams in King's Italy from A.C.C. to Italian Government.
2. Proposed transfer of censorship from Ministry of Interior to Ministry of War.

Capt. Stone stated that A.C.C. was in favor of both proposals since the first was in line with the general policy of restoring governmental functions in King's Italy to the Italian Government and the second was in harmony with the democratic principle of confining censorship to a purely military measure.

It was made clear by the chairman that definite approval of proposals rested with higher Allied Military Authority.

Capt. Stone stated that points had been discussed with Marshal Badoglio who was in agreement with proposals.

It was pointed out by Capt. Stone that complete operational control of censorship would have to remain with the Allies in Taranto, Bari and Palermo (and possibly Cagliari) as these were important transfer points. The importance of military operations in Italy made it also necessary that the Allied authorities retain the right to carry out visiting inspections of the work of censorship.

Capt. Stone said that the censorship of all external Communications and telephone censorship would remain Allied functions.

1199

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Discussion took place on the proposal of the Italian Government that a representative of the Provincial Prefect should be a member of the Provincial Censorship Commission. Capt. Stone and Col. Henderson objected to the inclusion of such a representative on the grounds that censorship should only be used for military security and that the presence of a representative of the Provincial Prefect on Censorship Commission could be interpreted as a continuance of the Fascist practice of using for political purposes information obtained from censorship. The representatives of the Italian Government present stated that the proposal to include in the membership of Provincial Censorship Commission a representative of the Provincial Prefect had not been motivated by any intention to impose political censorship. They agreed, however, to the elimination of the requirement that Provincial Censorship Commissions should comprise a representative of the Provincial Prefect.

In summing up, Capt. Stone stated that policy control of Civil Censorship remained under Allied Military authority but that with the exceptions previously made, it was agreed by A.C.C. that operation control in King's Italy should pass to the Italian Government. Such agreement was, of course, as previously stated subject to approval of higher Allied Military Authority.

Capt. Stone then left the conference to attend a meeting elsewhere and turned over the chairmanship to Col. Henderson.

Detailed discussion took place on the agreement for the transfer of censorship drafted by the Italian High Command, the Ministry of the Interior and the Ministry of Communications and submitted to the conference.

After discussion it was agreed that by the Italian Government representatives that a revised draft agreement embodying the agreed modifications will be submitted to the A.C.C. for approval.

Col. Henderson presented to the meeting statistics showing that delays in postal service generally ascribed to censorship were largely due to other causes.

There being no other points for discussion the meeting closed.

DISTRIBUTION:

✓ Capt.E.W.Stone, USNR,	Deputy Chief Commissioner, A.C.C.
Col.J.L.Henderson,	Director, Communications Sub-Commission, A.C.C.
Major G.W.McKean,	Civil Censorship Officer, A.C.C.
H.E.Mario Fano	Undersecretary of State for Telecommunications and Posts.
H.E.Giuseppe Solimena,	Director General Public Safety-Ministry of Interior
Lt.Col. Camillo Ducros,	Chief of Censorship - S.I.M. Comando Supremo.

10:7

DSH 105

4 MAG 1944

WEEKLY MEETING OF NAVAL SUB-COMMISSION OF A.C.C.

Present:- Rear-Admiral C.E.Morgan, D.S.O.
Commodore H.R.Ziroli, U.S.N.
Commander H.St.J.Butler, U.S.N.
Paymaster Lieutenant Commander G.H.L.Kitson, R.N.

Commodore Ziroli's statement of activities for week ending 24th April, 1944 (attached) was discussed. The references in these minutes are to the paragrpahs of his report.

2. With reference to paragraph 1 the hope was expressed that early approval would be received from Allied Control Commission for use of the short title "COMSUB" which will effect an economy in signalling.

3. With reference to paragraph 2 it was agreed that a separate office for the Naval Sub-Commission is essential. Rear-Admiral Morgan said he would go into this with the Maintenance Commander.

4. With reference to paragraph 3 the question of Commander Butler's duties was discussed. It was agreed that he should spend most of his time in Taranto proceeding to Salerno as necessary to keep Commodore Palmer informed.

5. With reference to paragraph 5 it was agreed that the simplest method of issuing clothing passes to ex Italian POW's will eventually be for them to be issued on leaving the P.O.W. camp.

6. With reference to paragraph 6 it was agreed that the correct solution to the problem is for machinery to be set up, whereby formal application is made by the Yugo-Slav authorities to the Minister of Marine for the release of certain Italian personnel by name, who have volunteered to serve with the Yugo-Slavs. F.O.T.A.L.I. would give all possible assistance in setting up this organisation. Commodore Ziroli stated that the Minister would have no objection to releasing such men provided application for their services was formally made. Rear Admiral Morgan said he would mention this to General Mason-Macfarlane during his visit to Naples on Thursday 27th April.

7. The meeting was in agreement that the Naval Sub Commission should act on its own initiative within the terms of the Armistice, consulting the Chief Commissioner Allied Control Commission only in cases of doubt. Rear Admiral Morgan will also mention this to General Mason-Macfarlane.

8. It was agreed that detailed statements to show the

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Commodore Biroli [illegible] ending 24th April, 1944 (attached) was discussed. The references in these minutes are to the paragraphs of his report.

2. With reference to paragraph 1 the hope was expressed that early approval would be received from Allied Control Commission for use of the short title "COMSUB" which will effect an economy in signalling.

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1016

8. It was agreed that detailed statements to show the essential ration strength of the Italian Navy now and in the future when Italy is completely occupied, should be prepared. An officer on the staff of F.O.T.A.L.I. will be detailed for this purpose.

Distribution:- All present.
(Copy to Commodore I.M. Palmer, D.S.C.)

File

F.O./700

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COPY

ALLIED CONTROL COMMISSION
NAVAL SUB-COMMISSION
Navy House, Taranto, Italy.

Serial:(0051)

25th April, 1944.

TO: Chief, Naval Sub Commission, Allied Control Commission.

Subject: Activities for week ending 24th April, 1944.

1. The Allied Control Commission was advised on 18th April, 1944 that F.O.T.A.L.I. would assume duties as Chief, Naval Sub Commission, A.C.C. on 19th April, 1944. No order from A.C.C. establishing the Commission at Taranto and advising activities concerned has been received to date. Likewise approval of the code word CONCON as a short title for the Naval Sub Commission has not been received.

2. Plans are being made for the operation of the Sub Commission. Space has been requested in Room 18, 3rd floor, Navy House. A separate office is essential in order to consolidate the work of the Commission.

3. CinCMed has been requested to take steps to release Captain Crowther, R.N., Commander Bonney and Captain Hilbert from their appointments with the Sub Commission as these officers are not available for A.C.C. work. ComNavNAW has been requested to assign two U.S. Naval officers to the Staff of the S.U.S.N.C.I. for routine duties in connection with the Commission.

4. Routine letters have been forwarded to Allied Force organisations to obtain reports which will be useful in the work of the Commission.

5. The Regional Control and Military Government Section, A.C.C. and AFHQ were requested to issue clothing permits to ex-Italian POW's who were issued articles of clothing while at prison camps.

6. The Naval Representative, Salerno was requested to expedite action on F.O.T.A.L.I.'s secret letter No.1027/58 of 17th March 1944 relative to Italian Deserters to Yugoslav Forces. Action on this matter has been outstanding since 5 January 1944. The Italian Ministry of Marine requested a reply on 16 April 1944. Naval Sub Commission, A.C.C. in letter of 5 March took position that A.C.C. did not have cognizance. F.O.T.A.L.I. letter of 17 March 1944 in reply asked for a decision or policy either by A.C.C. or higher authority. Commodore Palmer discussed the problem with General MacFarlane who instructed him to await outcome of a proposal by Russia that Italians be permitted to volunteer freely for service with Yugoslav forces.

1045

7. Other matters of a routine nature such as the removal of a German DeTe Radar set from an Italian vessel for research

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Naval Sub Commission, A.C.C. on 19th April, 1944. No order from A.C.C. establishing the Commission at Taranto and advising activities concerned has been received to date. Likewise approval of the code word CONSON as a short title for the Naval Sub Commission has not been received.

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1045

7. Other matters of a routine nature such as the removal of a German DETE Radar set from an Italian vessel for research purposes in U.K. and a request by the Psychological Warfare Branch, Bari for an Italian high speed Radio Interception Unit are being handled.

8. It is my intention to attend the next meeting of the A.C.C. at Naples which will be held early in May.

(Sgd.) H. W. SIROLI
Commodore, U.S.Navy,
Deputy Chief, Naval Sub Commission, ACC.

Copy to:
Commodore Palmer.

1203

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D. C. C.
9 APR RECD
2864

HEADQUARTERS ALLIED ARMIES IN ITALY

WAR ESTABLISHMENTS COMMITTEE

MINUTES

1st Meeting held on 6 Apr 1944

Present :	Brig	R.H.A. Foster	Chairman
	Lt-Col	V.H. Jaques	Q
	Lt-Col	J.H. Hirons	FA
	Maj	T.D. Garrett	A
	Maj	H.K. Jacques	G(SD)

Serial Number

War Establishment

1. Review of

HEADQUARTERS No 2 DISTRICT (WA/128/3)

The retention of the following 1st Grade Staff Appointments w.e.f. 6 Apr 44 were recommended to AFHQ subject to review in three months.

GSO 1
AAG
ADST (Transport and Personnel)
ADST (Supplies and Petrol)
ADMS
ADH
ADOS
ADME
DDM

It was further recommended that the appointment of ADOS be reinstated in the above Headquarters subject to review in three months.

File : 1701/34/G(SD2)

2. Amendment to

BRITISH CADRE FOR PACK TRANSPORT COMPANY (DILUTED) (WA/296/1)

The following allotment of transport was approved w.e.f. 6 Apr 44.

Car 5 cwt 4 x 4 with Trailer - 1

1014 File : 1701/53/G(SD2)

321 Muleteers

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

Serial Number

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AA+
ADST (Transport and Personnel)
ADST (Supplies and Petrol)
ADMS
ADH
ADOS
ADME
DPM

It was further recommended that the appointment of ADDS be reinstated in the above Headquarters subject to review in three months.

File : 1701/34/G(SD2)

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BRITISH CADRE FOR PACK TRANSPORT COMPANY (DILUTED) (WA/296/1)

The following allotment of transport was approved w.e.f. 6 Apr 44.

Car 5 cwt 4 x 4 with Trailer - 1

1044 File : 1701/53/G(SD2)

3.....

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

Serial Number		War Establishment
3.	Approval of ITALIAN BASE TRANSPORT COMPANY The above War Establishment (Italian Personnel only) was approved w.e.f. 6 Apr 44. It is designed for employment under command of either British or US formations. File : 1701/33/G(SD2)	(AI/1/1)
4.	Revision of 33 MILITARY MISSION A new War Establishment NA/241/2 was recommended to AFHQ, subject to review in six months. This embodies a Supply Control and Accountancy Staff and liaison detachments in SICILY and SARDINIA. File : 1701/33/G(SD2)	(NA/241/1)

J. C. Cavendish-Whitaker
Lt Col
for Brigadier,
General Staff.

7 Apr 44.

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It is designed for employment under command of either British or US formations.

File : 1701/33/G(SD2)

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This embodies a Supply Control and Accountancy Staff and liaison detachments in SICILY and SARDINIA.

File : 1701/33/G(SD2)

J. C. Smith-Hutton
Lt Col

7 Apr 44. for Brigadier,
General Staff.

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MINUTES OF MALARIA CONFERENCE

Room 29, Provincia Building
8 April 1944

MEETING ATTENDED BY:

Lt. General Mason MacFarlane
Brigadier G. S. Parkinson

Colonel P. F. Russell, MC
Colonel W. H. Crichton, RAMC
Lt. Colonel J. D'Arcy Champney, RAMC
Lt. Colonel H. D. Chalke, RAMC
Lt. Colonel T. N. Page, MC
Lt. Colonel T. Parr, RAMC
Lt. Colonel W. C. Williams, MC

Major Davidson, RAMC
Major R. H. Young, MC
Major Ivan Isaacs, MC
Major R. A. Roberts, SnC
Major P. J. Stein, MC
Captain Joseph J. Bowen, MC
Captain Maxwell R. Brand, MC
Captain W. MacKenzie, RAMC
Captain R. A. Elliot, MC
Medecin Capitaine Reynaud
Captain S. O. Hill, SnC
Captain O. H. Adams, SnC
1st Lt. M. Manzelli, SnC
Sq/Ldr W. O. Davis

Chief Commissioner, ACC
Director of Public Health Sub-Commission, ACC
Chief, Malaria Control Service, ACC
RPHO Region III
ADH 3 District
ADH 211
RPHO Region IV
SAPHO AMG 5th Army
Deputy Director, Public Health Sub-Commission, ACC
DADH 94 Sub-Area
Malaria Control Service, ACC
Army Air Forces/MTO
5th Army, Malaria Control
PBS, Hygiene Officer
Malariologist, 5th Army
Malariologist, PBS
Province of Naples
Typhus Control Service, ACC
Laborataire du CEF, Malariologist
Regional Malariologist, Region III
28th Malaria Control Unit, 5th Army
Entomologist, Malaria Control Service
Representing Group Captain F. E. Lipscombe, Consultant in Tropical Medicine, RAF, MAAF

LT. GENERAL MACFARLANE:

"Brigadier Parkinson and Colonel Russell have very kindly asked me to say a word or two by way of introduction. I propose to comment on the subject of the vital importance of tackling this malaria problem. It is absolutely essential that all feasible protection against malaria be given and that we should make use of all our resources. I would like to say how much the Rockefeller Foundation has been appreciated in the work they have already done in connection with typhus and equally the help which they are giving in connection with the malaria problem. I regard our victory over the typhus epidemic as one of the major allied victories in this war. I am sure that in dealing with the malaria threat which is now ahead of us, we are going to have to put our back into it. We shall have the same record of success to show as we did in typhus."

BRIGADIER PARKINSON:

"Italy and the surrounding islands are highly malarious in many parts. Especially Sardinia, among the islands. It has been a problem in the past — It will be very much greater now, with the destruction of pumps and the blocking of canals. It seems to me that we must have complete cooperation if we are

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SHAEF AMG 5th Army
Deputy Director, Public Health Sub-Commission, ACC
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Army Air Forces/ATO
5th Army, Malaria Control
PBS, Hygiene Officer
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BRIGADIER PARKINSON:

"Italy and the surrounding islands are highly malarious in many parts. Especially Sardinia, among the islands. It has been a problem in the past — it will be very much greater now, with the destruction of pumps and the blocking of canals. It seems to me that we must have complete cooperation if we are going to get anywhere. ACC AMG forward areas are responsible for the civilian side of control, but malaria knows no bounds and it is important for the troops to be kept free from malaria. Many of you know that at the landing on the beach at Salerno, there were too many cases of malaria. We are going to try to prevent anything like that again. During peace time in Italy there was a set-up for controlling malaria. A great deal of that has been thrown out of joint by lack of personnel, transport, equipment, etc. We have got to do all we can to get the civil control agencies going as quickly as possible. I think that malaria control can be divided into long and short term programs. I think we should adopt wherever possible, short term programs in the months to come. Short term programs may become long term programs in the end. Try to carry things out up to the end of autumn without trying to establish permanent measures for the next year to come."

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Malaria Conference (8 Apr 44)

COLONEL RUSSELL:

"We certainly all agree that the malaria problem this year will be an acute one. The density of the mosquito vectors will be increase because breeding places have been increase. Gametocyte carriers will be more numerous and contact will be more intimate among the general population. I think it is quite true that we must defeat malaria this year or it may seriously delay military operations. It seems to me we all agree on this point. Now, the technical part of malaria control is not a problem. The great difficulty this year, as I see it, is one of organization and coordination. I wrote down the other day a list of allied military entities interested in the control of malaria. There are 41 on the list -- not counting some 42 civilian malaria committees. Obviously, there must be cooperation and coordination of programs.

"The Allied Control Commission recently set up a Malaria Control Service with functions as follows:

"(a) To assist the Senior Civil Affairs Officers and the Regional Commissioners of ACC in restoring civilian malaria control agencies and in directing their activities.

"(b) To coordinate civilian and military control programs as far as possible so that they will give maximum help to the military effort.

"(c) To carry out certain practical and essential field experiments. The insecticide called DDT promises to be very helpful in the control of malaria. It seems possible that through the Malaria Control Service of ACC it might be possible to do some field experiments which would be of practical help to the Army. The Rockefeller Group may be able to help out in this field.

"The staff of the Malaria Control Services consists of the director, one medical officer, one engineer and one entomologist. We want to be called upon for help where military problems impinge on civilian or vice versa. We are all in the Army and are a part of the war effort. Our aim is not malaria control next year, it is malaria control this season, with particular reference to the war effort."

CAPTAIN BRAND:

"The plains of Paestum are under the jurisdiction of PBS. At present there is a Control Unit (23rd Malaria Control) with increased personnel which now consists of one sanitary engineer together with 31 enlisted men and a company of Italian military which are being used as labor. Program consists of an extensive larviciding program. In addition, in the plains of Pasteum there have been collected together 50 civilian laborers who are going to clean the canals in that area. I believe that the area south of the Tusciano River can be adequately cared for around major military installations by the 23rd Malaria Control Unit."

Captain Brand stated that he did not think he was getting as much civilian help as was needed. It was decided that Captain Hill and Major Davidson would meet with Captain Brand early next week to delimit the boundaries between Pasteum and Salerno.

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CAPTAIN BRAND:

"The plains of Paestum are under the jurisdiction of PBS. At present there is a Control Unit (23rd Malaria Control) with increased personnel which now consists of one sanitary engineer together with 31 enlisted men and a company of Italian military which are being used as labor. Program consists of an extensive larviciding program. In addition, in the plains of Pasteum there have been collected together 50 civilian laborers who are going to clean the canals in that area. I believe that the area south of the Tusciano River can be adequately cared for around major military installations by the 23rd Malaria Control Unit."

Captain Brand stated that he did not think he was getting as much civilian help as was needed. It was decided that Captain Hill and Major Davidson would meet with Captain Brand early next week to delimit the boundaries between Pasteum and Salerno.

Captain Hil stated that in his area they had some difficulty keeping their pumps supplied with oil and that as yet they have no definite boundaries. Captain Hill further stated that he hoped there would be no objection if they went over boundaries as long as the objective was effectively obtained on both sides.

At this point the supply of oil through the ACC CIP was discussed. Colonel Russell mentioned that there might be some difficulty transporting oil to the different areas, but that in Army areas probably a truck would be available to transport this oil. ACC has alread provided oil for civilian use at central supply points, where it is held by the CIP (Comitato Italiano Petroli).

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Colonel Russell also noted that military installations are subject to move without previous notice. ACC wants to have civilian agencies ready to continue the work that has been started. Therefore, ACC would like to be fully informed as to what programs are in effect so that if the military moves on ACC can attempt to see that the work continues.

Colonel Crichton agreed on the above point and mentioned that some of the pumps were not functioning because they have either been damaged or lack oil or electrical power. He mentioned the fact that he spoke with Colonel Arnest concerning the current to the pumps in the region of Sessa and that Colonel Arnest would try to assist in the matter.

The electrical power problems in both the 5th Army and PBS sectors were discussed and it was decided that if power was needed in certain sections a request would be put into writing and submitted to the proper authorities. Captain Hill stated that there was a shortage of pumps in his area.

Lt. Colonel Parr stated that in the Province of Sessa during peace time there had been a very good malaria control organization. The doctor in charge of that organization is still there and would like to have the Army help him restart the organization. Colonel Parr mentioned a budget prepared by the Italian doctor requesting money (1 million lire). Colonel Russell said that if such a budget were approved money would be available. Colonel Russell emphasized the importance of stimulating civilians to do work for themselves, so as to save manpower for the Armies.

Captain Bowen (5th Army) described conditions in his area. Civilian labor work will be confined to towns until at least the first of May. The general work of clearing the canals will be a Corps function. The flooded area along the coast has been designated as an area for plane dusting and that will be taken care of when the planes arrive. Captain Bowen thought that civilians would be able to conduct the major portion of the larviciding after the first of May. At that time another meeting of civilians and the military will be held in that area.

It was brought out that since March 26th, the 6 Corps had undertaken malaria control measures at the beachhead, and that on April 1st the 42nd Malaria Control Unit had been sent to assist the Corps Surgeon. Civilian refugees are to help in the confines of the towns, but it was mentioned that the refugees were being evacuated from time to time (approximately 800 a day). Lt. Colonel Chalke said it was not entirely a civilian problem as there were also five British malaria control units working there.

LABOR AND SUPPLIES

Lt. Colonel Parr stated that in his area they were short of oil until AMG supplies came through. Captain Hill said that in his area they have 400 drums of oil available for the month of April.

COLONEL RUSSELL:

"Colonel Griffin of the Medical Supply Service, ACC, reports that oil supplies have been distributed on a regional basis where they are now being

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COLONEL RUSSELL:

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"Colonel Griffin of the Medical Supply Service, ACC, reports that oil supplies have been distributed on a regional basis where they are now being handled by CIP. I understand that we are to have as much oil as we need this summer."

COLONEL CHALKE:

"I would like to bring out a point about paris green. I gather that there will be no paris green for civilian use. The policy, as I understand it, is that paris green would not be available for malaria control for the protection of civilians, but would be for the use of the Allied Forces. But what about the civilian laborers working in cooperation with the Army?"

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Malaria Conference (8 Apr 44)

It was stated that while there was no official ACC supply of paris green, but in some regions there were small civilian stocks remaining over from last year. Where civilian work was for direct protection of military installations, paris green might be used.

The labor problem was discussed and it was pointed out that there is a definite standard wage scale for the Theater. Laborers working 8 hours a day on a 24-hour day basis with quarters are served 3 meals a day. Day laborers for the Army receive a noon meal for which 7 lira are deducted from their wages.

Under the present set-up Italian contractors have no method of getting Army rations for their men.

Captain Brand stated that at the paris green plant, laborers have been asking for meals to be served to them. He thought the difficulty there lies with the contractors who hired the civilian laborers and offered them higher wages (100-125 lira) a day instead of feeding them.

TRANSPORT

The malariologist in the Foggia area has reported an Air Force Service Command directive providing for the transport of civilian labor to and from their work. It was agreed that in Army areas transport would not be a serious problem but that elsewhere considerable ingenuity would be required to provide necessary transportation.

COORDINATION

It was decided that a central information bureau might well be established at the office of the ACC Malaria Control Service, Room #5, in the Post Office Building. Copies of all reports might be sent to this office from which information could be disseminated to those who desired or required it, with due regard for military occurrity.

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Q. M. C. Form 353 (Old No. 499)
Revised July 25, 1918

LIST OF PAPERS

File under No. 321.

ORGANIZATION OF A.C.C.

8—0783

SERIAL NUMBER	FROM—	DATE	TO—	SYNOPSIS
19) FARGO 670	Gen MacF	1 Feb	FREEDOM(Gammell)	Reasons for DP&PW Subcom amalg & appmt of Kirkwood. Inform PW subc. they are not under AFHQ.
20) FREEDOM 45809	CINC	1 Feb	Gen MacF	No notif.rec'd here on your reorg. plans. Request ACMF forward same.
21) FATIMA 2249	Capt Stone	2 Feb	Gen MacF	Yr 650 rec'd. PW Subcom will take orders fr Kirkwood.
22) [illegible]/37	Gen MacF	3 Feb	Gen Gruenther Hq 5 Army	Can you provide US Col & Maj for Land Forces Subcom.
23) FREEDOM 46626	Gen Gammel	3 Feb-	Gen MacF	Reorg. settled pending approval of War Office
24) FREEDOM 47175	Gen Gammel	4 Feb	Gen MacF	Have instructed PW Subcom to transfer surplus personnel to DP Subcom Cannot agree to amalg. Further t'fer of personnel.
25) FREEDOM 47227	CINC	4 Feb	ACMF	MacF's reorg proposal has been sent to CCS with favorable wind.
26) MGS 210.3	Col. Maxwell	4 Feb	Gen MacF	Tfer of experienced MG Os will be required in future. 2675 Regt will have to tfer surplus personnel.
27) FARGO 763	Gen MacF	5 Feb	Gen Gammel	Ref to (24). Will follow your sug
28) MS 322	Capt Stone	6 Feb	Gen MacF	Fwds ltr from Dacre outlining functions of his subcom.
29)	FREEDOM	7 Feb	Gen MacF	Repeat of (13)
30) CC/G/42	Gen MacF	7 Feb	Col Maxwell	Reply to (26). Os not by any means experienced. Ultimate needs cannot be forecast.
31)	Brig Gueterbock	9 Feb	Gen MacF	Fwds ltr fr Col Zellars outlining latter's personnel needs for War Materials Subcommission.
32) GCT-55/7	AFHQ	10 Feb	CINC, ACMF	Reorganization of Command Copy #35
33) MGS 322-19	AFHQ, MGS	13 Feb	Various	Formation New Units
34) FREEDOM 51340	CINC	14 Feb	Gen MacF	AGWAR requests permission to send accounting group.
35) FARGO 965	Gen MacF	14 Feb	FREEDOM	Concur in AGWAR request.
36) 51477	FREEDOM	14 Feb	Gen MacF	CCS approve reorg. Summary of changes approved.
37) 51854	FREEDOM	15 Feb	Gen MacF	CCS has approved appmt of French ACC member.
38) 321.011	Major Doe	15 Feb	Chief, War Mat. Disposal Subcom	Directive outlining functions of War Materials Disposal Subcom.

INSTRUCTIONS.—When papers on a subject become numerous they will be numbered serially and brief entries made on this form.

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