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

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

785015

ECONOMICS, GENERAL  
AUG. 1945 - JAN. 1947

4025/CC

Office of the  
Chief Commissioner**LIST OF PAPERS**

ALLIED COMMISSION

File under No. 4025 ECONOMICS - GENERAL

From: 12 Jul 45

To :

**Confidential**

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114	Cbl 3/1760 AMG VG	24 Oct 46	Econ Sec	Fuel Oil to test ships; Encl cbl
115	Cbl 5633 ES	27 Nov 46	PC AMG, Udine	PC to confer with EC prior to discussions with It Ministries
116	Memo Carr	9 Dec 46	CC	Wheat loaned to Prov Welfare Comm
116a	Report	10 Dec 47	CC	Report of the council for Am-It Aff
117	Ltr 91536-53382/ 3.1.9	2 Jan 47	CC	Expressing thanks for loan of wheat
117a	Ltr 656088/P	8 Jan 47	CC	Refuse extra assignment of sugar to Pietro Gentilini firm
118	Cbl 6020	10 Jan 47	AFHQ	Re loan of wheat to Italy
119	Ltr 4025	10 Jan 47	Nenni	Approval of wheat loan to It encl
120	Ltr AFHQ/VG/1003/	13 Jan 47	Chief of Miss UNRRA	Re loans of UNRRA impots for VG
120 a	Cbl C10503	13 Jan 47	CC	AFHQ approval of wheat loan to It
120b	Ltr 41/00910/10	14 Jan 47	Adm Stone	Thanking Stone for help re wheat loan
121	Ltr Graves	14 Jan 47	CC	Press release re wheat shipments
122	Ltr CC 4025	17 Jan 47	AFHQ	Expressing It govt appreciation for help rendered re wheat loan
123	Ltr 2622/51/EC	25 Jan 47	Charles	Re taking over Br Embassy of econ prombl arising between It and It colonies

Instructions.—When papers on a subject be numbered serially and brief entries made on this form.

**Confidential**

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Chief Commissioner

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107	Address Cleveland	16 Jan 46	I.C.C.	Economic Address
108	Ltr Cleveland	Feb 46	Intermin. Comm. for Reconst.. Rome	Collaboration on Reconstruction Programming
<del>108a</del>	<del>Obi 18/1724/86-13 Corps</del>	<del>2 Feb 46</del>	<del>Alecom</del>	<del>Coal stock weekly report Ven Giu/Udine</del>
109	Ltr RB 415.1 Cleveland	18 Feb 46	Intermin. Comm. for Reconst.	Termination of YF Program
109a	Ltr 960.51 Hamblen	25 May 46	CC	It Govt take-over of US Surplus Prop.
110	Ltr 9006/EC Knisely	29 May 46	G-5 AFHQ	Painting of Army Surplus Property
4106				
111	Ltr E3/508 Walton	31 May 46	AFHQ G-5	It Govt take-over of US Surplus Prop.
112	Memo Carr	4 Oct 46	CC	Adv CC on action being taken re shipping firm in Trieste
113	Memo walker	21 Oct 46	CC	Report Food, Fuel, Power situation Encls.

# CONFIDENTIAL

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90	6597 Ag. S/C	5 Oct 45	Troopers	Ault & Passerini to Brussels conferenc
91	78008 Troopers	5 Oct 45	Freedom, AC	SACMED representation at London Meet.
92	Ltr 252/2 Brunetti	16 Oct 45	Pub. Saf. S/C	Guard duty allied depots by Italians
93	Ltr 222629/II-227.5.2 Jacini	17 Oct 45	Land For. S/C	Surveillance of depots of materials
94	Ltr Parri	18 Oct 45	Stone	Surveillance of Depots of Material
95	Ltr 4002/EC McCleary	20 Oct 45	Eco. Sec.	Italian Representation on EEOE
96	Ltr ES/15.12/0 Lush	23 Oct 45	Kirk	In RE Cbl 78008 Troopers
97	Cbl FX 49163 SACMED	23 Oct 45	AGWAR	Italian National Slate Requirements
97a	Ltr 10.352 Parri	29 Oct 45	Stone	Argentine Wheat for Italy
98	Ltr 4048/18/EC Stone	31 Oct 45	Kirk & Charles	International Committees in London
99	Ltr 4825/109/EC McCleary	10 Nov 45	Venezia Reg.	Food supply for North Italy
100	Ltr 201/72/45.C.D. Charles	12 Nov 45	Stone	Italian Govt Rep. International Committe
101	Ltr ISC/416-927 Braine	14 Nov 45	Eco. Sec.	Confer-Wages in private industry-N.Ital
102	Ltr AC/537/9/Tn.3 Stone	15 Nov 45	Parri	Re-purchase ships and wheat fr Argentina
103	Ltr AC/14601/26/PS Lush	21 Nov 45	Parri	Guards for War Material Dumps
104	Cbl 8870 Industry	1 Dec 45	AC Milan	Release of Consumer goods
105	Cbl 9176 MOC407 HQ AC	10 Dec 45	AGWAR	Seven Ships to Italian Ownership
106	Ltr Stone	13 Dec 45	Kirk	Italian Representation on European Comit

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Chief Commissioner

ARMED COMMISSION

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SERIAL NUMBER	FROM -	DATE	TO -	SYNOPSIS
78	Ltr Quintavalle			Condition of Italy Economy in the North
79	AFHQ CAO/117, Duff	20 Aug 45	CC	SACMED's London office - asgmt of Brigadier Anderson as senior Br officer.
80	DO Ltr, CC	27 Aug 45	CAO AFHQ	SACMED's London office - asgmt of Brigadier Anderson as senior Br officer.
81	4024/41/EC, Lush	31 Aug 45	Econ Sec	Special committee on post-war economic policy and planning.
82	100/ES, Densmore	3 Sep 45	Milan Offices, Econ S/Cs	Coordination of Econ S/Cs' work in Milan (Central Economic Group).
83	Cbl Mr Offie, via Embassy	12 Sep 45	CC	European conference on food and agricultural statistics.
84	Cbl AC Econ, 5295	13 Sep 45	AFHQ	European conference on food and agricultural statistics.
4104 85	de Gasperi, 44/20133/53	21 Sep 45	Stone	Emergency Econ Commission for Europe.
86	Cbl AFHQ, FX-46248	28 Sep 45	Troopers, AC	SACMED's London office - asgmt of Brigadier Anderson as senior Br officer.
87	ES/3.20, Stone	30 Sep 45	de Gasperi	Emergency Econ Commission for Europe.
88	Cbl AFHQ, F-46861	2 Oct 45	AC	SACMED's London office; asgmt Brig Anderson as Senior British officer.
89	Memo, Stone	3 Oct 45	TWIMC	Release of Brig Anderson.

Confidential

CC

Ref: 2622/51/33

25 January 1947

On instructions received from AFHQ, I am requesting that your Embassy should take over now all economic matters arising between Italy and ex-Italian colonies and territories under BIA which were formerly dealt with by the Allied Commission.

The matters presently being dealt with by this Commission are given at Enclosure "A". Lt. Col. Horn of the Commerce Sub-Division of this Commission is available to give any information required.

I understand that your Embassy has already agreed in principle to take over these matters and I propose to ask immediately for arrangements to be made for all such matters and correspondence referring to them to be addressed to the British Embassy in future.

MERRY W. STONE

MERRY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

4025/112

4103

Sir Noel Charles St., K.C.M.G., M.C.  
British Ambassador.  
British Embassy,  
ROME.

(103)

ENCLOSURE "A"Trade between Italy and ex-Italian colonies or territories under B.M.A.(i) TRIPOLITANIA

Procurement of tobacco seed.  
Import of sheep from Tripolitania to Italy.  
Procurement of textiles in Italy.

(ii) DODECANESE

Procurement of materials and parts of machinery for  
TEMI Factory, Rhodes.

(iii) EGYPTIA

Keeping the Italian Ministry of Foreign Trade informed  
of the issue of all export and import licences from and  
to Italy.

4102

(1123)



GC-1025

17 January 1947

SUBJECT: Loan of Wheat to the Italian Government  
TO : G-5 Section, AFHQ, APO 512, US Army

I have been requested by On. Pietro Nenni, Acting President of the Council of Ministers and Minister for Foreign Affairs, to convey the thanks of the Italian Government to Allied Force Headquarters for the additional loan of 5,000 tons of wheat and to assure your Headquarters that the first loan will be repaid not later than 10 February and the second by 22 February.

/s/ Ellery W. Stone

ELLERY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

4101

Spare  
4025/66

CG-4025

17 January 1947

SUBJECT: Loan of Wheat to the Italian Government

TO : G-5 Section, AFHQ, APO 512, US Army

I have been requested by On. Pietro Nenni, Acting President of the Council of Ministers and Minister for Foreign Affairs, to convey the thanks of the Italian Government to Allied Force Headquarters for the additional loan of 5,000 tons of wheat and to assure your Headquarters that the first loan will be repaid not later than 10 February and the second by 22 February.

/s/ Ellery W. Stone

ELLERY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

4025/42

22

(1947)

TRANSLATION

MINISTRY OF FOREIGN AFFAIRS

41/00910/10

Rome, 14 January 1947.

Dear Admiral,

I am in receipt of your letter dated 14 January 1947, in which you inform me that, thanks to your personal intervention, Allied Force Headquarters in Italy have taken the necessary steps in order that the Italian Authorities be given the 5,000 tons of wheat, so urgently needed to re-establish our seriously compromised alimentary conditions, within the 15 current month.

It is understood that the first loan of 5,000 tons already granted us will be returned not later than February 10, and this second loan of 5,000 tons will be returned by February 22, 1947.

I am infinitely grateful to you for your kindness and for the promptness with which you have accorded our request, and I beg you to thank Allied Headquarters in Caserta on behalf of the Italian Government.

Believe me,

Yours very sincerely,

(s) Nenni.

Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.

4089

4025/22

cc has been  
sent Jan.

(1/10/47)

TRANSLATION

MINISTRY OF FOREIGN AFFAIRS

41/00910/10

Rome, 14 January 1947.

Dear Admiral,

I am in receipt of your letter dated 14 January 1947, in which you inform me that, thanks to your personal intervention, Allied Force Headquarters in Italy have taken the necessary steps in order that the Italian Authorities be given the 5,000 tons of wheat, so urgently needed to re-establish our seriously compromised alimentary conditions, within the 15 current month.

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I am infinitely grateful to you for your kindness and for the promptness with which you have accorded our request, and I beg you to thank Allied Headquarters in Caserta on behalf of the Italian Government.

Believe me,

Yours very sincerely,

(s) Nenni.

4998

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Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.

Spares  
4025/10

TRANSLATION

MINISTRY OF FOREIGN AFFAIRS

41/00910/10

Rome, 14 January 1947.

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I am infinitely grateful to you for your kindness and for the promptness with which you have accorded our request, and I beg you to thank Allied Headquarters in Caserta on behalf of the Italian Government.

Believe me,

Yours very sincerely,

(s) Nenni.

---

Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.

4087

TRANSLATION

MINISTRY OF FOREIGN AFFAIRS

41/00910/10

Rome, 14 January 1947.

Dear Admiral,

I am in receipt of your letter dated 14 January 1947, in which you inform me that, thanks to your personal intervention, Allied Force Headquarters in Italy have taken the necessary steps in order that the Italian Authorities be given the 5,000 tons of wheat, so urgently needed to re-establish our seriously compromised alimentary conditions, within the 15 current month.

It is understood that the first loan of 3,000 tons already granted us will be returned not later than February 10, and this second loan of 5,000 tons will be returned by February 22, 1947.

I am infinitely grateful to you for your kindness and for the promptness with which you have acceded our request, and I beg you to thank Allied Headquarters in Caserta on behalf of the Italian Government.

Believe me,

Yours very sincerely,

(s) Nenni.

Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.

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41/00973/10

Il Ministro degli Affari Esteri

Roma, 14 GEN 1947

Caro Ammiraglio,

ricevo la Sua lettera in data di oggi con la quale Ella mi comunica che, grazie al Suo personale intervento, il Quartier Generale delle Forze Alleate in Italia ha preso le disposizioni necessarie per fornire alle Autorità italiane entro il 15 corrente le 5.000 tonnellate di cereali che servivano urgentemente per ristabilire la nostra situazione alimentare gravemente compromessa.

Resta inteso che il primo prestito di 5.000 tonnellate già in precedenza concesso sarà restituito non piu' tardi del 10 febbraio p.v. e il secondo attuale prestito di altre 5.000 tonn. entro il 22 febbraio.

Le sono infinitamente grato, caro Ammiraglio, per la Sua squisita cortesia e per la sollecitudine con la

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0 9 9 4

ha preso le disposizioni necessarie per fornire alle Autorità italiane entro il 15 corrente le 5.000 tonnellate di cereali che servivano urgentemente per ristabilire la nostra situazione alimentare gravemente compromessa.

Resta inteso che il primo prestito di 5.000 tonnellate già in precedenza concesso sarà restituito non più tardi del 10 febbraio p.v. e il secondo attuale prestito di altre 5.000 tonn. entro il 22 febbraio.

Le sono infinitamente grato, caro Ammiraglio, per la Sua squisita cortesia e per la sollecitudine con la quale ha voluto aderire alla nostra richiesta e La prego di voler trasmettere i ringraziamenti del Governo italiano anche al Quartier Generale di Caserta.

Mi creda, con l'espressione dei miei sentimenti più cordiali

*Amo*  
*Ammiraglio*

All' Ammiraglio Ellery W. Stone, U.S.N.R.  
Capo della Commissione Alleata

ROMA

(120B)



ALLIED FORCE HEADQUARTERS  
G-5 Section  
APO 512

ALH/SFS/fs

G-5: AFHQ/G-5/VG/1003/FBS

13 January, 1947

SUBJECT: Loans of UNRRA Imports for Udine  
and Venezia Giulia.

TO : Chief of Mission  
United Nations Relief and Rehabilitation  
Administration, Italian Mission, Rome.

1. This Headquarters is greatly concerned with the future supplies of coal to Udine and Venezia Giulia Zone 'A'.

2. As you are fully aware there was considerable shortfall of coal deliveries in 1946, due primarily to coal strikes within the United States. AMG suffered to a vast extent from this shortfall, and has started 1947 with no stocks at all.

3. Fortunately, AFHQ has arranged temporary loans to carry AMG over until 30 January, but all such channels for borrowing are now closed. The U.S. Military from whom AFHQ has borrowed some 19,000 tons must be repaid by 10 February 1947 at the very latest.

4. In presenting these facts to you, which it is known you will readily appreciate, it is with the object of asking your assistance.

5. Considering the present period namely January-June, 1947 only, the total requirements for Udine and Venezia Giulia are 232,000 tons and that quantity will be delivered between now and 30 June. Actually we have asked the combined Chiefs of Staff to arrange the arrivals of all our requirements to AMG before 15 March 1947.

6. At the present time we have no advice as to when the first ship for AMG will arrive, and unless AFHQ make immediate arrangements for alternative supply, both Udine and Venezia Giulia will be completely without coal by 31 January 1947. Commencing 1 February, all industry and the Gas Works will have to close down unless a loan is forthcoming.

40857/64

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SPARE

(180)

7. AFHQ will need to provide for the supply of 48,000 tons. That quantity will provide AMG requirements for February, and it will enable us to repay U.S. Military.
8. Will you please consider loaning AFHQ this quantity of coal by diverting the next six shipments of UNRRA Imports to Italy for disposal by CONCERNED?
9. AFHQ will arrange repayment to UNRRA from future arrivals ex United States, which are on AMG account, and see that you receive repayment in Kind not later than 31 March 1947.
10. Your co-operation will be greatly appreciated by this Headquarters and all concerned.

FOR THE SUPREME ALLIED COMMANDER MEDITERRANEAN THEATER:

A. L. HAMBLEN  
Colonel, G.S.C.  
Assistant Chief of Staff, G-5

COPY TO: Chief Commissioner  
Allied Commission, APO 794

4083

(1/10)

F. C. Mc  
Col. Walker 9 deB  
PNR

The Brig + Ad have  
seen  
File

16/1/47 GMS  
cc

ALLIED FORCE HEADQUARTERS  
G-5 Section  
APO 518

ALH/SFS/fs

G-5: AFHQ/G-5/V-1005/FS

13 January 1947

SUBJECT: Loans of U.S. Imports for Udine  
and Venezia Giulia.

TO: Chief of Mission  
United Nations Relief and Rehabilitation  
Administration, Italian Mission, Rome.

1. This Headquarters is greatly concerned with  
the future supplies of coal to Udine and Venezia Giulia  
Zone 'A'.

2. As you are fully aware there was considerable  
shortfall of coal deliveries in 1946, due primarily to  
coal strikes within the United States. AMR suffered to  
a vast extent from this shortfall, and has started 1947  
with no stocks at all.

3. Fortunately, AMR has arranged temporary loans  
to carry AMR over until 30 January, but all such channels  
for borrowing are now closed. The U.S. Military from  
whom AMR has borrowed some 18,000 tons must be repaid by  
10 February 1947 at the very latest.

4. In presenting these facts to you, which it is  
known you will readily appreciate, it is with the object  
of asking your assistance.

5. Considering the present period namely January-  
June, 1947 only, the total requirements for Udine and  
Venezia Giulia are 232,000 tons and that quantity will be  
delivered between now and 30 June. Actually we have asked  
the Combined Chiefs of Staff to arrange the arrivals of all  
our requirements to AMR before 15 March 1947.

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and Venezia Giulia will be completely without coal by  
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the Gas Works will have to close down unless a loan is forth-  
coming.

4025/47

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(40)

7. AFHQ will need to provide for the supply of 48,000 tons. That quantity will provide AMG requirements for February, and it will enable us to repay U.S. Military.

8. Will you please consider loaning AFHQ this quantity of coal by diverting the next six shipments of UNRRA imports to Italy for disposal by CONSUMED?

9. AFHQ will arrange repayment to UNRRA from future arrivals ex United States, which are on AMG account, and see that you receive repayment in kind not later than 31 March 1947.

10. Your co-operation will be greatly appreciated by this Headquarters and all concerned.

FOR THE SUPREME ALLIED COMMANDER MEDITERRANEAN THEATER:



A. L. HAMBLEN  
Colonel, U.S.A.  
Assistant Chief of Staff, G-5

COPY TO: Chief Commissioner ✓  
Allied Commission, APO 794

Will you please have the original of this letter delivered, and presented by hand to Mr. S.M. Keeny personally.

Done  
EWD

1100 16/1/47

4053

1/19/47

*9.707*

HEADQUARTERS ALLIED COMMISSION

APO 794

ECONOMIC DIVISION

Food, Agriculture & AMG Supply Sub-Division

MEMORANDUM

*15 Jan - 47*

TO: CHIEF COMMISSIONER

For information.

The High Commissioner of Food has issued the following communication to Italian Press:

" The American Authorities have officially authorized the diversion to Italian ports of six wheat ships. The necessity of such a provision was pointed out by the High Commissioner to President De Gasperi who emphasized the urgency during his visit in Washington. The arrival of a/m ships with a total of more than 50,000 tons of wheat is imminent. In fact the first of them will reach Gibraltar the 17th inst. direct to Palermo, the second the 18th direct to Naples, the third the 22nd direct to Genoa, the fourth the 24th direct to Bari, the fifth the 27 th direct to Naples, the sixth the 28th direct to Genoa. It is calculated that from Gibraltar the ships will need three or four days to reach our ports. In addition to the loans that the High Commission has obtained from the Allied Command, from the Vatican Assistance Committee and from the Pope Himself, the great arrivals obtained by the action of President De Gasperi, give finally a certain tranquillity and will prevent further cut in rations. Distributions will soon be made regularly and in some areas rations in arrears will be distributed. We hope that present ration scales can be maintained until the next harvest following other assurances of Hon. De Gasperi in regard to further shipments of what is necessary for our food requirements. The kindness and the speediness with which the American Authorities have satisfied our requests remove from the Italian people the heavy threat of further restrictions which seemed inevitable in these last days."


*4015/12*

*4000*

*7*

*(181)*

NOTE : These ships have been diverted from Germany from the Military Government account and constitute a loan which must be repaid from future allotments. 50,000 tons of wheat and 10,000 tons of corn borrowed from the Vatican Assistance Committee must be repaid in March.

  
PAUL T. GRAVES  
Lt. Col. Inf.  
Director.

Copy to : Director Economic Division.

4589

V41)

# INCOMING MESSAGE

HEADQUARTERS ALLIED COMMISSION

*ge*

Originator's Reference: **610503**

Message Centre No: **H/9081**

Date/Time of Origin: **JAN NPT**

Date Time Rec'd: **JAN 130900**

Precedence: **PRIORITY**

FROM: **AFHQ G5**

TO: **ALCOM ROME FOR ECONOMIC SECTION**

UNCLASSIFIED:

Subject is loan wheat to Italian Government.

Reur 6020 dated 10 January 1947. 118

1. This Headquarters confirms further loan and indicated subject to Unrra agreeing to underwirete repayment of total quantity loaned by AMG on dates specified.

AC DIST

ACTION - CHIEF COMMISSIONER

INFO - EX COMMR

ECON DIV 3

FILE

REGALTON

*3*

*4025/w*

*4088*

*12*

JAN 13 1947

# ACTION

*1/13/47*

CC 4025

11 January 1947

My dear Mr. Minister:

It gives me pleasure to inform you that with the cooperation of Allied Force Headquarters at Caserta I have found it possible to make wheat available to the Italian Government as requested in your letter of 9 January.

AMG authorities are being instructed to turn over five thousand tons due to arrive at Venice on the S.S. NIKOLA LABADIE on 15 January. In addition, the time of repayment by you of five thousand tons already on loan and due to be returned not later than 1 February is extended.

In accepting this loan it is understood that you will agree that the ten thousand tons will be repaid by you as follows: Five thousand tons not later than 10 February, and five thousand tons not later than 22 February.

Very truly yours,

ELLERY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

Dr. Pietro Nenni,  
Acting President of the Council of Ministers,  
Rome.

Copy to: G-5 AFHQ  
Economic Div.  
Ex. Commr.  
CC ✓

4025/22

1/19



Following the conversation which I had with you on January the 8th, I beg to enclose herewith a Promemoria in English which has been drafted by the Alto Commissariato per l'Alimentazione for the Minister of Foreign Affairs.

This Promemoria is intended to contain the replies to the questions which you have adressed to me in connection with the request by the Italian Government of a second loan of wheat.

In the hope that on the basis of the information you may find it both convenient and possible to interpose your authoritative influence in order to obtain for Italy this help of which she has such an urgent heed, I take pleasure in renewing to you the expression of my high consideration.

4085



(117)



*Ministero degli Affari Esteri*

IL SEGRETARIO GENERALE

Roma,

3/23

Caro Ammiraglio,

A seguito della conversazione avuta con Lei l'8 corrente, ho il pregio di unirla un Appunto in inglese che l'Alto Commissariato per l'Alimentazione ha redatto per il Ministro degli Esteri.

Detto Appunto intende rispondere ai quesiti che Ella mi aveva posti in relazione alla richiesta da parte del Governo Italiano di un secondo prestito di grano.

Nella speranza che sulla base di tali informazioni Ella ritenga opportuno e possibile interporre i Suoi autorevoli buoni uffici per ottenere all'Italia questo aiuto di cui ha così urgente bisogno, mi è grato rinno-

./.

4365

Caro Ammiraglio,

A seguito della conversazione avuta con Lei l'8 corrente, ho il pregio di unirLe un Appunto in inglese che l'Alto Commissariato per l'Alimentazione ha redatto per il Ministro degli Esteri.

Detto Appunto intende rispondere ai quesiti che Ella mi aveva posti in relazione alla richiesta da parte del Governo Italiano di un secondo prestito di grano.

Nella speranza che sulla base di tali informazioni Ella ritenga opportuno e possibile interporre i Suoi autorevoli buoni uffici per ottenere all'Italia questo aiuto di cui ha cosi' urgente bisogno, mi è grato rinnovarLe i sensi della mia alta considerazione

Ammiraglio Ellery W. STONE  
Capo della Commissione Alleata

*Ellery W. Stone*

ROMA

6563

(117)

ALTO COMMISSARIATO PER L'ALIMENTAZIONE

9 Jan 47

Memorandum for the Ministry of Foreign Affairs

I. As indicated in a letter by the A.C. Economic Division dated December 24th 1946, the loan of 5 thousand tons received by the Italian Government shall be returned not later than February 1st.

As to the second amount (indicated in 10 thousand tons), the date for its return should be set around the end of February. Actually, according to information received to day, there should be, as a result of arrivals scheduled for February, the possibility of returning this second loan not later than February 20th.

2. This new amount should be made available alternatively at Genoa or Venice.

3. Said amount will be distributed as follows :

To	Province of	Tons
"	Novara	600
"	Torino	1.200
"	Vercelli	500
"	Genova	2.500
"	Imperia	400
"	La Spezia	400
"	Savona	300
"	Bergamo	400
"	Brescia	400
"	Como	400
"	Milano	1.800

1006

Ist.

As to the second amount (indicated in 10 thousand tons), the date for its return should be set around the end of February.

Actually, according to information received to day, there should be, as a result of arrivals scheduled for February, the possibility of returning this second loan not later than February 20th.

2. This new amount should be made available alternatively at Genoa or Venice.

3. Said amount will be distributed as follows :

To	Province of	Tons
"	Novara	600
"	Torino	1.200
"	Vercelli	500
"	Genova	2.500
"	Imperia	400
"	La Spezia	400
"	Savona	300
"	Bergamo	400
"	Brescia	400
"	Como	400
"	Milano	1.800
"	Pavia	300
"	Sondrio	300
"	Varese	500

Total Tons 10.000

4. The drawing said amount will begin immediately, through shipment by rail to the Provinces indicated above.

5. The reason why the Alto Commissariato per l'Alimentazione

./.

1003

(119)

-2-

has been induced to ask for a second loan is the fact that between January 10th and January 31st the foreseen arrivals are only two ships with a cargo of corn (which cannot integrally replace the deficiency of wheat), and two ships, due on January 22nd and January 27th, with a cargo of wheat. In the interval, very serious shortages will be taking place in certain regions in the northern, central, and southern part of Italy: this is why not only a further loan has been sought for, but also the diversion of a certain number of ships has been suggested, in order to avoid that the distribution of rations might have to be suspended.

The situation of stocks on hand as to January 1st., includes as a whole about 550.000 tons, whose composition may be in an indicative way described as follows:

Rice (expressed in terms of wheat)	tons	110.000
Corn and secondary cereals for mixing (idem)	"	100.000
Wheat in the wheat producing provinces (covering as an average their needs up to end of February only)	"	200.000
wheat available for compensation purposes up to January 1st	"	140.000

It should be noted that it is not possible to make further use for compensation purposes of the wheat available in the wheat producing provinces on account of the extremely fractioned dislo-

use of the reserves that must be left with

central, and southern part of Italy. This is why not only a further loan has been sought for, but also the diversion of a certain number of ships has been suggested, in order to avoid that the distribution of rations might have to be suspended.

The situation of stocks on hand as to January 1st., includes as a whole about 550.000 tons, whose composition may be in an indicative way described as follows :

Rice (expressed in terms of wheat)	tons	110.000
Corn and secondary cereals for mixing (idem)	"	100.000
Wheat in the wheat producing provinces (covering as an average their needs up to end of February only)	"	200.000
Wheat available for compensation purposes up to January 1st	"	140.000

It should be noted that it is not possible to make further use for compensation purposes of the wheat available in the wheat producing provinces on account of the extremely fractioned dislocation of stores, and of the reserves that must be left with all mountainous municipalities. It follows that wheat available for compensation purposes comes down to about 140 thousand tons up to January 1st: this amount having been already disposed of to a large extent, in order to meet the needs of the first ten days of the month, without having been compensated by the contemporary arrival of an adequate number of ships.

*M. S. M.*

(119)

central, and southern part of Italy: this is why not only a certain loan has been sought for, but also the diversion of a certain number of ships has been suggested, in order to avoid that the distribution of rations might have to be suspended.

The situation of stocks on hand as to January 1st., includes as a whole about 550.000 tons, whose composition may be in an indicative way described as follows:

Rice (expressed in terms of wheat)	tons	110.000
Corn and secondary cereals for mixing (idem)	"	100.000
Wheat in the wheat producing provinces (covering as an average their needs up to end of February only)	"	200.000
Wheat available for compensation purposes up to January 1st	"	140.000

It should be noted that it is not possible to make further use for compensation purposes of the wheat available in the wheat producing provinces on account of the extremely fractioned dislocation of stores, and of the reserves that must be left with all mountainous municipalities. It follows that wheat available for compensation purposes comes down to about 140 thousand tons up to January 1st: this amount having been already disposed of to a large extent, in order to meet the needs of the first ten days of the month, without having been compensated by the contemporary arrival of an adequate number of ships.

*Murphy*

(119)



1) According to the indications contained in a letter by the A.C. Economic Division dated December 24th 1946, the loan of 5 thousand tons received by the Italian Government will be returned not later than February 1st.

2) As to the second amount, which has been indicated in 10 thousand tons, for which a loan has also been sought, this will be returned not before February 20th.

3) The new amount should be made available alternatively at Genoa or Venice.

4) Said amount will be distributed as follows:

To the Province of Novara	Tonns	600
" " " " -Torino	"	1.200
" " " " Vercelli	"	500
" " " " Genova	"	2.500
" " " " Imperia	"	400
" " " " La Spezia	"	400
" " " " Savona	"	300
" " " " Bergamo	"	400
" " " " Brescia	"	400
" " " " Como	"	400
" " " " Milano	"	1.800
" " " " Pavia	"	300
" " " " Sondrio	"	300
" " " " Varese	"	500

Total Tons 10.000 ✓

5) Use will be made of a/m amount immediately, through shipments by rail to the Provinces indicated above.

6) The reason why the Alto Commissariato per l'Alimentazione has been induced to ask for a second loan is the fact that between January 10th and January 31st the only ships expected here are two with a cargo of corn (which cannot integrally replace the deficiency of wheat), and two due on January 26nd and January 27th with a cargo of wheat. In the interval very serious shortages occur in certain regions in the north, center and south part of Italy: this is why not only a further loan has been sought but also the diversion of a certain number of ships, in order to avoid that the distribution of rations might have to be suspended.

The situation of stocks on hand <sup>up to Jan. 1st</sup> is as follows:

( indicative figures )

Rice ( expressed in terms of wheat )	tons	110.000
Corn and secondary cereals for mixing ( idem )		100.000
Wheat in the producing provinces ( covering as an average their needs up to end of February only )		200.000
Wheat at disposal for compensation up to January 1st		140.000

It should be noted that it is not possible to <sup>further</sup> utilize for compensation wheat available in producing provinces on account of the extremely fractioned dislocation of stores, and of the reserves that must be left with mountainous municipalities. It follows that wheat available for compensation is reduced to about 140 thousand tons up to January 1st: and ~~the~~ amount has been already disposed of to a large extent in order to meet the needs of the first ten days of the month: without having been compensated by the arrival of an adequate number of ships in the same period of time.

5501

417)

TRANSLATION

THE MINISTRY OF FOREIGN AFFAIRS

00404/5

Rome, 7 January 1947.

Dear Admiral,

You are already aware of the gravity of the situation in which Italy finds herself regarding wheat. The loan of 5000 tons of wheat which, thanks to your intervention, we were recently able to obtain, is not, unfortunately, sufficient to guarantee the indispensable quantity needed, so that, unless we obtain new and greater loans, we will, in a very short time, be compelled to suspend the distribution of bread in certain zones, as we are no longer able to rely on the national supplies which are almost inexistent. You will no doubt understand that this would result in grievous and almost unforeseen consequences.

I am therefore compelled to ask you to examine the possibility of our being granted a further loan of the greatest possible quantity. At the same time I wish to inform you that we have telegraphed President De Gasperi in Washington, bringing the alarming situation to his attention, and asking him to intervene in order to obtain the diversion of certain ships which are due to reach our harbours not later than January 20th.

In the event that this cannot be carried out, the Italian Authorities would find themselves in the impossibility of providing the necessary requirements for the normal supply of the population.

I am sure that realizing the unquestionable needs in the matter of wheat supply caused by reasons of various nature, you will help us to overcome the present emergency by supporting our requests with your Government in Washington, since they represent the minimum indispensable in order to ensure the food-supply for our Country in the immediate future.

With best regards, and thanks,

Yours truly,

(s) Pietro Nenni.

---

Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.

File 1/3

4/025/00

117

TRANSLATION

THE MINISTRY OF FOREIGN AFFAIRS

00404/5

Rome, 7 January 1947.

Dear Admiral,

You are already aware of the gravity of the situation in which Italy finds herself regarding wheat. The loan of 5000 tons of wheat which, thanks to your intervention, we were recently able to obtain, is not, unfortunately, sufficient to guarantee the indispensable quantity needed, so that, unless we obtain new and greater loans, we will, in a very short time, be compelled to suspend the distribution of bread in certain zones, as we are no longer able to rely on the national supplies which are almost inexistent. You will no doubt understand that this would result in grievous and almost unforeseen consequences.

I am therefore compelled to ask you to examine the possibility of our being granted a further loan of the greatest possible quantity. At the same time I wish to inform you that we have telegraphed President De Gasperi in Washington, bringing the alarming situation to his attention, and asking him to intervene in order to obtain the diversion of certain ships which are due to reach our harbours not later than January 20th.

In the event that this cannot be carried out, the Italian Authorities would find themselves in the impossibility of providing the necessary requirements for the normal supply of the population.

I am sure that realising the unquestionable needs in the matter of wheat supply caused by reasons of various nature, you will help us to overcome the present emergency by supporting our requests with your Government in Washington, since they represent the minimum indispensable in order to ensure the food-supply for our Country in the immediate future.

With best regards, and thanks,

Yours truly,

(s) Pietro Nenni.

---

Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.

Spares  
4025/10

TRANSLATION

THE MINISTRY OF FOREIGN AFFAIRS

00404/5

Rome, 7 January 1947.

Dear Admiral,

You are already aware of the gravity of the situation in which Italy finds herself regarding wheat. The loan of 5000 tons of wheat which, thanks to your intervention, we were recently able to obtain, is not, unfortunately, sufficient to guarantee the indispensable quantity needed, so that, unless we obtain new and greater loans, we will, in a very short time, be compelled to suspend the distribution of bread in certain zones, as we are no longer able to rely on the national supplies which are almost inexistent. You will no doubt understand that this would result in grievous and almost unforeseen consequences.

I am therefore compelled to ask you to examine the possibility of our being granted a further loan of the greatest possible quantity. At the same time I wish to inform you that we have telegraphed President De Gasperi in Washington, bringing the alarming situation to his attention, and asking him to intervene in order to obtain the diversion of certain ships which are due to reach our harbours not later than January 20th.

In the event that this cannot be carried out, the Italian Authorities would find themselves in the impossibility of providing the necessary requirements for the normal supply of the population.

I am sure that realizing the unquestionable needs in the matter of wheat supply caused by reasons of various nature, you will help us to overcome the present emergency by supporting our requests with your Government in Washington, since they represent the minimum indispensable in order to ensure the food-supply for our Country in the immediate future.

With best regards, and thanks,

Yours truly,

(s) Pietro Nenni.

---

Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.

TRANSLATION

THE MINISTRY OF FOREIGN AFFAIRS

00404/5

Rome, 7 January 1947.

Dear Admiral,

You are already aware of the gravity of the situation in which Italy finds herself regarding wheat. The loan of 5000 tons of wheat which, thanks to your intervention, we were recently able to obtain, is not, unfortunately, sufficient to guarantee the indispensable quantity needed, so that, unless we obtain new and greater loans, we will, in a very short time, be compelled to suspend the distribution of bread in certain zones, as we are no longer able to rely on the national supplies which are almost exhausted. You will no doubt understand that this could result in grievous and almost unforeseen consequences.

I am therefore compelled to ask you to examine the possibility of our being granted a further loan of the greatest possible quantity. At the same time I wish to inform you that we have telegraphed President De Gasperi in Washington, bringing the alarming situation to his attention, and asking him to intervene in order to obtain the diversion of certain ships which are due to reach our harbours not later than January 15th.

In the event that this cannot be carried out, the Italian Authorities would find themselves in the impossibility of providing the necessary requirements for the normal supply of the population.

I am sure that realizing the unquestionable needs in the matter of wheat supply caused by reasons of various nature, you will help us to overcome the present emergency by supporting our requests with your Government in Washington, since they represent the minimum indispensable in order to ensure the food-supply for our Country in the immediate future.

6577

With best regards, and thanks,

Yours truly,

(s) Pietro Nenni.

Admiral Ellery B. Stone  
Chief Commissioner  
Allied Commission  
Rome.

Il Ministro degli Affari Esteri

ROMA, 7 GEN 1947

00404/5

Caro Ammiraglio,

Ella è già al corrente della assoluta gravità nella quale è venuta a trovarsi la situazione dell'Italia in materia di cereali. Il prestito di 5000 tonn. che, grazie al suo intervento personale, abbiamo potuto di recente ottenere non è purtroppo sufficiente a garantire il minimo indispensabile, tanto che, se non si ottengano nuovi e più importanti prestiti, si arriverà inevitabilmente, non potendosi ormai più contare sulle scorte nazionali presso che inesistenti, ad una sospensione, entro breve tempo, della distribuzione di pane in alcune zone, con tutte le gravi ed imprevedibili conseguenze che, come Ella ben comprende, da una simile misura deriverrebbero.

Sono pertanto costretto di pregarLa di esaminare la possibilità di farci concedere un ulteriore prestito nella maggior quantità possibile. Al tempo stesso La informo che è stato telegrafato al Presidente De Gasperi a Washington facendogli presente l'allarmante

2076

1018

II. Il prestito di 5000 tonnellate di grano, abbiamo potuto di recente ottenere non è purtroppo sufficiente a garantire il minimo indispensabile, tanto che, se non si ottengano nuovi e più importanti prestiti, si arriverà inevitabilmente, non potendosi ormai più contare sulle scorte nazionali presso che inesistenti, ad una sospensione, entro breve tempo, della distribuzione di pane in alcune zone, con tutte le gravi ed imprevedibili conseguenze che, come Ella ben comprende, da una simile misura deriverrebbero.

Sono pertanto costretto di pregarLa di esaminare la possibilità di farci concedere un ulteriore prestito nella maggior quantità possibile. Al tempo stesso La informo che è stato telegrafato al presidente De Gasperi a Washington facendogli presente l'allarmante situazione ed invitandolo ad adoperarsi per ottenere il dirottamento di alcuni piroscafi che dovrebbero giungere nei nostri porti non oltre il 20 gennaio.

In caso contrario le autorità italiane si trovano nella assoluta impossibilità di provvedere al fabbisogno necessario per il normale rifornimento della popolazione.

./.

Ammiraglio Ellery W. STONE  
Capo della Commissione Alleata

R O M A

1119



Sono sicuro, caro Ammiraglio, che rendendosi conto delle  
 imprescindibili necessità nelle quali il nostro approvvigionamento  
 in cereali è venuto, per cause di varia natura, a trovarsi, Ella  
 vorrà aiutarci a sanare l'attuale situazione di emergenza appoggiando  
 presso il Governo di Washington le nostre richieste che rappresentano  
 il minimo indispensabile ad assicurare per l'immediato futuro il  
 rifornimento del paese.

*Indirizzo i miei deferenti saluti.*

*Per Rita Newby*

AICOM ACSCC FROM ADMIRAL STONE

JCLB30A JANUARY 1947

AFNK FOR GEORGE FIVE

6020

UNCLASSIFIED

ITALIAN GOVERNMENT HAS REQUESTED AN IMMEDIATE LOAN OF TEN THOUSAND TONS WHEAT IN ADDITION TO FIVE THOUSAND TONS BORROWED TWENTY THREE DECEMBER CMA THE LATTER AMOUNT NOW SCHEDULED TO BE REPAYD ONE FEBRUARY PD

PARA TWO PD PRESENT AND STOCK APPROXIMATELY EIGHT THOUSAND TONS CMA NOW LOCATED VARIOUS POINTS AND TERRITORIES CMA WHICH WILL SUPPORT POPULATION UNDER AGE TO ONE FEBRUARY CMA IS CONSIDERED INSUFFICIENT FROM WHICH TO MAKE ANY IMMEDIATE LOAN PD

PARA THREE PD I RECOMMEND LOAN TO ITALIAN GOVERNMENT OF FIVE THOUSAND TONS WHEAT SCHEDULED TO ARRIVE VENICE FIFTEEN JANUARY CMA THE BALANCE OF THESE FOUR ONE SIX TONS OF THIS SHIPMENT PLUS THREE THOUSAND TONS FLOUR FROM SHIPMENT OF EIGHT ZERO ZERO NINE TONS SCHEDULED TO ARRIVE TRIESTE SIXTEEN JANUARY WILL SUPPORT UBIQUE TO TWENTY EIGHT FEBRUARY AND THE REMAINING FIVE ZERO ZERO NINE TONS WILL SUPPORT VENEZIA GIULIA TO SAME DATE PD

PARA FOUR PD IT IS NOT KNOWN AT THIS TIME WHEN FURTHER SHIPMENTS OF WHEAT AND FLOUR ARE EXPECTED AFTER SIXTEEN JANUARY PD

PARA FIVE PD THE REMAINING FIVE THOUSAND TONS OF THE NEW LOAN OF TEN THOUSAND TONS REQUESTED BY THE ITALIAN GOVERNMENT CANNOT BE SAFELY LOADED CMA BUT TO OFFSET THIS IT IS POSSIBLE AND I RECOMMEND TO EXTEND THE DATE OF RETURN OF THE FIVE THOUSAND TONS PREVIOUSLY BORROWED FROM ONE FEBRUARY TO TEN FEBRUARY CMA AND THE PRESENTLY PROPOSED LOAN OF FIVE

*4025/14*

*11/18*

*9*

PAGE 2 OF 2 PAGES

6020

UNCLASSIFIED

THOUSAND TONS TO BE REPAYED BY TWENTY TWO FEBRUARY PD THESE DATES FOR THE RETURN OF WHEAT  
 ARE BASED ON FACT THAT THE DAYS ARE REQUIRED TO PROCESS WHEAT AND EFFECT DISTRIBUTION OF  
 RESULTING FLOUR AND AN ADDITIONAL EIGHT DAYS HAVE BEEN ALLOWED TO COVER CONTINGENCIES PD  
 PARA SIX PD USRA IS AGREEMENT IN WRITING TO UNDERWRITE THE REPAYMENT OF THESE LOANS BY THE  
 DATES SPECIFIED ABOVE

DISTRIBUTION:  
 Ex Comar  
 Economic Division  
 CC Files

*4/14*

*B*

PRIORITY  
 Chief Commissioner

*(1/8)*

222

ELLERY W. STONE  
 Rear Admiral, USNR

JAN 14 1947

TRANSLATION

FILE N°: ...

FROM: Ministry of Industry and Commerce  
 General Direction of Industry and Mines

TO: Allied Commission  
Office of the Chief Commissioner

THEIR FILE N°: 656088/P. III 8 January 1947

SUBJECT: The Firm of Pietro Gentilini - Rome -

1. - Reference is made to letter of 19th December 1946, by which the Allied Commission pointed out to this Ministry the sugar requirements of the Firm quoted above.
2. - We inform you that the Firm of Gentilini has been included in the sugar allocation plans; therefore they have already obtained a first assignment of sugar while another assignment will be allotted as soon as possible.
3. - The quantity of sugar which can be assigned to the manufactories is insufficient to cover their requirements as the stock of sugar, of national production, left back for industrial purposes, is scanty.
4. - Said scarce availability prevent us from granting extra allotments on behalf of specific firms, which would reduce the quantity of sugar available, thus causing further restrictions in rationing, and as well, conditions of disparity amongst Firms working in the same area.
5. - In view of above we regret to inform you that the application of the Firm of Gentilini, aimed at ob-

4025/12

4073

(1970)

File

taining an extra assignment of sugar, cannot be complied with.

The Industry Sub-Secretary of State

sgd.



JAN 14 1947

TRANSLATION

FILE N°: ...

FROM:

Ministry of Industry and Commerce  
 General Direction of Industry and Mines

TO:

Allied Commission  
 Office of the Chief Commissioner

THEIR FILE N°:

656088/P. III

8 January 1947

SUBJECT:

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1. - Reference is made to letter of 19th December 1946, by which the Allied Commission pointed out to this Ministry the sugar requirements of the Firm quoted above.
2. - We inform you that the Firm of Gentilini has been included in the sugar allocation plans; therefore they have already obtained a first assignment of sugar while another assignment will be allotted as soon as possible.
3. - The quantity of sugar which can be assigned to the manufactories is insufficient to cover their requirements as the stock of sugar, of national production, left back for industrial purposes, is scanty.
4. - Said scarce availability prevent us from granting extra allotments on behalf of specific firms, which would reduce the quantity of sugar available, thus causing further restrictions in rationing, and as well, conditions of disparity amongst Firms working in the same area.
5. - In view of above we regret to inform you that the application of the Firm of Gentilini, aimed at ob-

./.

4072

(1170)

JAN 14 1947

TRANSLATION FILE N°: ...

FROM: Ministry of Industry and Commerce  
General Direction of Industry and Mines

TO: Allied Commission  
Office of the Chief Commissioner

THEIR FILE N°: 656083/P. III 8 January 1947

SUBJECT: The Firm of Pietro Gentilini - Rome -

1. - Reference is made to letter of 19th December 1946, by which the Allied Commission pointed out to this Ministry the sugar requirements of the Firm quoted above.
2. - We inform you that the Firm of Gentilini has been included in the sugar allocation plans; therefore they have already obtained a first assignment of sugar while another assignment will be allotted as soon as possible.
3. - The quantity of sugar which can be assigned to the manufactories is insufficient to cover their requirements as the stock of sugar, of national production, left back for industrial purposes, is scanty.
4. → Said scarce availability prevent us from granting extra allotment, on behalf of specific firms, which would reduce the quantity of sugar available, thus causing further restrictions in rationing, and as well, conditions of disparity amongst firms working in the same area.
- 5.- In view of above we regret to inform you that the application of the Firm of Gentilini, aimed at ob-

./.

4571

taining an extra assignment of sugar, cannot be complied with.

[Faint, mostly illegible text]

The Industry Sub-Secretary of State

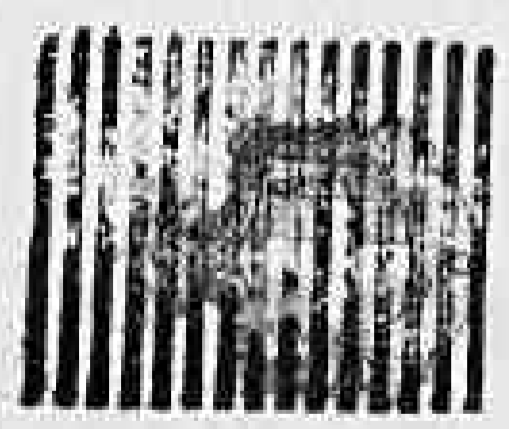
sgd.

1034507  
JAN 13 1947

[Faint text at the bottom of the page, possibly a signature block or administrative notes]

90 C3





1947

8 GEN 1947

*Roma*

*Ministero dell'Industria e del Commercio*

Direz. Gen. Industria e Mineriere  
Divisione V/Ind.

*Dist. N. 656088 / RM*

COMMISSIONE ALLEATA  
Ufficio del Capo Commissario

= ROMA =

*Risposta al Teleg. N. 13 del*

OGGETTO Ditta Pietro Gentilini - Roma.-

1. - Si fa riferimento alla lettera in data 19 dicembre 1946, con la quale codesta Commissione Alleata ha segnalato la Ditta indicata in oggetto, perchè siano tenute presenti da questo Ministero le necessità di zucchero di tale azienda.
2. - Si comunica, al riguardo, che la Ditta GENTILINI è compresa nei piani di assegnazione del prodotto in questione e che, pertanto, ne ha già ottenuto un primo acconto e quanto prima ne avrà una seconda quota.
3. - I quantitativi di zucchero che possono essere assegnati alle industrie non sono sufficienti a coprire completamente il loro fabbisogno. Ciò dipende dall'esigua quantità di zucchero, di produzione nazionale, destinabile agli usi industriali.

2070

*Il pign... per ogni lettera con riferimento a questa materia...*

OGGETTO Ditta Pietro Gentilini & C. s.p.a.

1. - Si fa riferimento alla lettera in data 19 dicembre 1946, con la quale codesta Commissione Alleata ha segnalato la Ditta indicata in oggetto, perchè siano tenute presenti da questo Ministero le necessità di zucchero di tale azienda.

2. - Si comunica, al riguardo, che la Ditta GENTILINI è compresa nei piani di assegnazione del prodotto in questione e che, pertanto, ne ha già ottenuto un primo acconto e quanto prima ne avrà una seconda quote.

3. - I quantitativi di zucchero che possono essere assegnati alle industrie non sono sufficienti a coprire completamente il loro fabbisogno. Ciò dipende dall'esigua quantità di zucchero, di produzione nazionale, destinabile agli usi industriali.

4. - A causa di tale limitata disponibilità, non è possibile effettuare assegnazioni straordinarie a favore di singole Aziende, per non ridurre ulteriormente il quantitativo complessivo di zucchero, con conseguente contrazione delle assegnazioni ordinarie, e per non creare disparità di trattamento fra attività operanti

...

PCR/IG.

*E. Gentilini*

4070

*Il pignu baltiku per ogni affare non s'imponeva e restava nella propria*

in uno stesso settore industriale.

5. - Per le suddette considerazioni, si è spiacenti dover comunicare che non è possibile prendere in considerazione la richiesta della Ditta GENTILINI, intesa ad ottenere un'assegnazione straordinaria di zucchero.

IL SOTTOSEGRETARIO DI STATO ALL'INDUSTRIA  
IL MINISTRO



IL SOTTOSEGRETARIO DI STATO ALL'INDUSTRIA  
E AL COMMERCIO  
IL MINISTRO

10 9 8 7 6 5 4 3 2 1 19 47  
MINISTRO DELL'INDUSTRIA  
E COMMERCIO  
JAN 9 - 1947

6/1/4

1031

785015

0

TRANSLATION

THE UNDERSECRETARY OF STATE TO THE  
PRESIDENCY OF THE COUNCIL OF MINISTERS

91536-53382/3.1.9

2 January 1947

Dear Admiral,

On behalf of the President of the Council  
of Ministers I am very pleased to convey to you the  
thanks of the Italian Government for the generous  
understanding you have once again shown for the vital  
needs of the Italian people during this difficult post-  
war period. Your facilitating the loan of 5000 tons  
of wheat makes it possible to meet the most urgent  
alimentary necessities.

4025/ce

Very truly yours,

(s) Cappa  
(Avv. Paolo Cappa)

4025

Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.

(17)

91536-53382 / 3.1.9

*Il Segretario di Stato  
alla Presidenza del Consiglio dei Ministri*

Roma, 2 gennaio 1947

Caro Ammiraglio,

per incarico del Presidente del Consiglio, mi è molto gradito esprimerle il ringraziamento del Governo italiano per la generosa comprensione che Ella ancora una volta ha voluto dimostrare per le vitali esigenze del popolo italiano in questo difficile dopoguerra, facilitando il prestito di 5000 tonnellate di grano necessario a far fronte ad imponenti necessità alimentari.

Voglia gradire i sensi della mia cordiale considerazione

(AVV. PAOLO CAPPA)

*Paolo Cappa*

2008

liano per la generosa comprensione che Ella ancora una volta ha voluto dimostrare per le vitali esigenze del popolo italiano in questo difficile dopoguerra, facilitando il prestito di 5000 tonnellate di grano necessario a far fronte ad importanti necessità alimentari .

Voglia gradire i sensi della mia cordiale considerazione

*Paolo Cappa*

(AVV. Paolo Cappa )

-----  
 All'Ammiraglio Ellery W. STONE  
 Commissario Capo della Commissione  
 Alleata

ROMA

1119

TRANSLATION

THE UNDERSECRETARY OF STATE TO THE  
PRESIDENCY OF THE COUNCIL OF MINISTERS

91536-53382/3.1.9

2 January 1947

Dear Admiral,

On behalf of the President of the Council  
of Ministers I am very pleased to convey to you the  
thanks of the Italian Government for the generous  
understanding you have once again shown for the vital  
needs of the Italian people during this difficult post-  
war period. Your facilitating the loan of 5000 tons  
of wheat makes it possible to meet the most urgent  
alimentary necessities.

Very truly yours,

(s) Cappa

(Avv. Paolo Cappa).

4087

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Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.



TRANSLATION

THE UNDERSECRETARY OF STATE TO THE  
PRESIDENCY OF THE COUNCIL OF MINISTERS

91536-53382/3.1.9

2 January 1947

Dear Admiral,

On behalf of the President of the Council  
of Ministers I am very pleased to convey to you the  
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needs of the Italian people during this difficult post-  
war period. Your facilitating the loan of 5000 tons  
of wheat makes it possible to meet the most urgent  
elementary necessities.

Very truly yours,

(s) Cappa

(Avv. Paolo Cappa).

4906

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Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome.

DECEMBER 10, 1946

No. 8

ITALIAN LOAN DELAYED

See Page 1

ITALIAN LABOR GOES ABROAD

See Page 3

CRISIS BY CHRISTMAS

See Page 4

THE REPORT

Council for American-Italian Affairs, Inc.

1710 G STREET, N. W.  
WASHINGTON 6, D. C.

ITALIAN LOAN DELAYED

The Council for American Italian-Affairs held its breath this week when five key men in Washington sat down to decide the fate of a U.S. loan to Italy. Result of the meeting attended by three cabinet members (secretaries of State, Treasury and Commerce) and the chairmen of the Federal Reserve Bank and the Export-Import Bank: all action on Italy's reconstruction loan deferred indefinitely. This means that Italy does not yet have the \$100,000,000 it needs before Christmas, may not get the \$150,000,000 it must have by March 1947 in order to keep going when UNRRA aid stops next year (See CRISIS BY CHRISTMAS, page 4). It also means that the important men to look to for a decision on Italy's long-awaited and badly needed load will be Congressman John Taber of New York, soon to become chairman of the House Appropriations Committee, and the Republican party's dean of foreign affairs, Senator Arthur Vandenburg.

LIBERTY SHIPS FREED

The long fight to help Italy rebuild her shattered merchant marine is making headway. Since the U.S. Maritime Commission gave its consent a few months ago, the Italian government has purchased forty-seven 10,000 ton Liberty ships. If the Italian crews already in the United States have their way, the first fleet of approximately 20 Liberty ships will leave their idle moorings in U.S. ports and harbors and return with full cargoes to Italy by Christmas... Climaxing an equally long struggle to return Italian ships still in U.S. possession to Italy, the twin 24,470 ton Italian passenger liners Vulcania and Saturnia were handed back recently, in addition to the 11,000 ton Sestriere which was returned earlier this year. The Council for American-Italian Affairs welcomes resolutions recently adopted by The Committee for a Just Peace with Italy and the Order of the Sons of Italy in America urging that all Italian shipping still held by the Maritime Commission also be returned--16 ships (in various stages of disrepair) totaling approximately 125,000 tons.

4025/22

LOST—\$50,000,000?

The Italian government is still waiting for the \$50,000,000 Secretary of State Byrnes promised Prime Minister De Gasperi two months ago. Spurred by reports of mob violence resulting in deaths and injuries when jobless workers stormed Viminale Palace, seat of the Italian government, last October 8, Mr. Byrnes informed Sig. De Gasperi that the U.S. government would take immediate steps to reimburse the Italian government for the goods and services Italy supplied the U.S. armed forces during the war. Contrary to jubilant press reports in America as well as in Italy, however, the Council for American-Italian Affairs has learned that not one dollar of the \$50,000,000 has been transferred to Italy. When asked about this, a government official said that action would be taken "shortly." The equivalent of \$120,000,000 in goods and services was supplied by the Italian government to U.S. forces during the almost two years Italy fought by the side of the allies.

TOWARD FULL MEMBERSHIP IN THE UN

In return for having provided a site in Rome for the International Institute of Agriculture for more than a quarter of a century, Italy was taken into the United Nations Food and Agriculture Organization recently.

(Handwritten mark)

**BOARD OF DIRECTORS**

LESLIE HEN CURRIE  
*President*  
JAMES LAWLER  
*Secretary-Treasurer*  
MAX ARNOLD  
ALAN CRANSTON  
ALAN DOLAN  
JAMES FELIX FORTY  
LEONARD SOFFY  
JOHN ALLENOR  
*Executive Director*

\* \* \*

**NATIONAL COUNCIL**

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STANLEY WELLES, New York

**ITALIAN AMBASSADORS HONORED AT LUNCHEON**

Left to right: James C. Dunn, United States Ambassador to Italy; Alberto Tarchiani, Italian Ambassador to the United States; Marquis Antonio De Soragna, France; Pietro Quaroni, Russia, and Count Nicolo Carandini, England.

**ITALY LOOKS TO AMERICA**

During a luncheon given by the Committee for a Just Peace with Italy at the Hotel Delmonico recently, James C. Dunn, newly appointed United States Ambassador to Italy, told the Italian ambassadors assigned to Washington, London, Moscow and Paris that the world needed Italy in the family of nations and that the Big Five were in agreement on admitting Italy to the United Nations.

After stating that the Allies had overlooked earlier promises made to Italy's people and "glorious partisans" who helped materially to win the war, Ambassador Tarchiani told the hushed crowd in the packed dining hall that Italy still looked to America to lead the way to a better world.

**RECENT BOOKS**

**SPHERES OF INFLUENCE.** By Sydney Morrell. Duell, Sloan and Pearce, \$3.50. After traveling through five post-war countries, this author states that Italy's "will to live" is stronger than that of any other European nation and the sign which aroused Russia "to a sense that a halt was at last being called to the spread of her influence."

**ALL THY CONQUESTS.** By Alfred Hayes. Howell, Soskin, \$2.75. This well-written first novel about frustrated civilians and bewildered liberators in occupied Rome still leaves a lot to be explained about a period in which the new republic of Italy was in the process of being born.

**KAPUTT.** Curzio Malaparte. Dutton, \$3.75. An inside picture of Axis Europe by an Italian who describes the horrible Nazi and fascist crimes against hundreds of thousands of innocent people with the shameless indifference of an unrepentent fascist.

**COMING FILMS**

World Wide Film Corporation, 1600 Broadway, New York City, announces the forthcoming release of the following films made in Italy:

**A YANK IN ROME.** This first English-Italian bi-lingual film made since the liberation of Italy, concerns the hilarious adventures of an American G.I. of Italian parentage on a weeks leave in Rome. Leo Dale, Valentina Cortese, Andrew Checchi, Paolo Stoppa.

**L'ELISIR D'AMORE.** Generous portions of Donizetti's lovely music sweeten this romantic comedy based on the composer's familiar opera. Margherita Carosio, Armando Falconi, Roberto Villa.

**DAILY AMERICAN**

The Rome Daily American, eight page English-language tabloid published in Rome, is eight months old and growing fast.

## THE INSIDE REPORT

### Italian Labor Goes Abroad

Minister of Foreign Trade Pietro Campilli's recent statement that Italy can provide a market for foreign goods only if other nations will open their doors to

Italian emigration has met with favorable responses from South America and France. Brazil, Argentina and Venezuela have asked for Italian emigrants to develop industry and agriculture south of the border, and South American countries generally favor the plan, according to republican party leader Randolfo Pacciardi who has just returned from an extensive tour of the Latin republics. A French immigration delegation arrived in Rome recently to negotiate for several hundred thousand Italian laborers...Negotiations for 2,800 Italian laborers for work in English steel mills are being held up pending a satisfactory answer from England on the questions of maintaining Italian labor representatives in England and social security for the laborers.

### Customers Come to Italy

Brazil, Argentina, Venezuela, Columbia, Ecuador, Peru, Denmark and Hungary have indicated their desire to conclude official trade agreements with Italy as soon as the peace treaty is signed. Already, a four motored Constellation has made an experimental flight from Venezuela to Italy in 22 hours and 45 minutes and the Knutsen Line has established a new service between Italy and the south Pacific touching Genoa, Laguayra, Barranquilla, Guyaquil, Callao and Valpariso...England has organized a Chamber of Commerce in Rome which will inform importers and exporters of marketing conditions in England and the British Commonwealth. Branch offices will open soon in Milan, Turin, Genoa and Naples. It has been learned that the "Aerolinee Internazionali," recently incorporated by the Italian Industrial Reconstruction Institute and British European Airways, will soon begin to operate a regular service between Italian cities and eventually to European and South American capitals.

### Lire Phenomenon Explained

The soaring price of dollars in the Italian black market during the first week in December (820 lire to the dollar on Dec. 3) is regarded by Washington experts on the Italian financial structure as a temporary phenomenon. They predict that exchange rates in the free market will more nearly approximate the official rate of exchange (225 to the dollar) after two impending government financial measures -- a capital levy and a new bank note issue -- are things of the past and Italians no longer feel the urge to buy dollars at any price in order to avoid taxation.

### In The Provinces

ANZIO: On the site of one of the bloodiest battlefields of the war, David Dubinsky's ILCWU will build a Franklin D. Roosevelt Memorial orphanage...TURIN: Six volunteer Italian paratroopers joined the search for the recently rescued U.S. army personnel whose plane was forced down in the Swiss Alps last month...ROME: Two weeks after receiving its first shipment of crude oil (15,000 tons) in three years, the ANIC oil refinery of Bari produced 1000 tons of gasoline.

### Until the Strikes Came

Until the recent U.S. maritime and current coal strikes began to tie up shipments of coal and steel, Italy's great Ansaldo ship-building yards were consistently under-bidding British firms by as much as 50 percent in order to win foreign shipbuilding contracts. Now, Ansaldo has contracts for a total of nine ships with pre-war clients in Sweden, Norway, Denmark and Argentina, but not enough coal or steel. One Ansaldo contract with a shipowner in Denmark stipulates that a 2,300 ton ship will be exchanged for a large herd of dairy cows.

### Letter from Italy

To those who are alarmed at the spectacular rise of Guglielmo Giannini's fascistic Common Man party from fifth to third position among Italian political parties during the last five months, one of the heroic partisans recently mentioned by Ambassador Tarchiani (see p.2) has this to say in a letter received by the Council for American-Italian Affairs; "Now, in Italy, we have a republic: a weak, little republic...Help us, great sister republic, win our battle for democracy...Only from the American people can we hope for the aid we must have to heal our wounds and reconstruct Italy morally and materially."

### CRISIS BY CHRISTMAS

Without steel, coal and wheat modern man cannot build, keep himself warm or live. With two and a half million unemployed, more millions without fuel and more than half the population without enough to eat, Italy faces another critical winter.

Yet, the other day, the Director General of the United Nations Food and Agriculture Organization, Sir John Boyd-Orr, stated that unless there was a distribution of food from the food producing countries to the hungry ones there was danger of an unmarketable surplus of food. Thus, while in Italy, Premier De Gasperi has just frantically wired the United Nations Relief and Rehabilitation Organization for wheat to avert complete exhaustion of government wheat bins by Christmas, we, in this country, face a glut of food.

Shortly, after a year in which maritime and coal strikes have delayed and obstructed its relief and reconstruction program, UNRRA will cease its efforts altogether. In the belief that it is a fair appraisal of Italy's real plight in this crucial period, the Council for American-Italian Affairs quotes the following excerpts from a recent address delivered in Rome by the Deputy Chief of the UNRRA mission to Italy, Mr. Harlan Cleveland:

"Fifty to a hundred million dollars worth of goods which Italy is supposed to receive have not been bought and shipped by Christmas time...UNRRA's job in Italy will not be finished until the second quarter of 1947...The problem which now faces the Italian government and the Italian people is to make sure that the momentum created by the UNRRA import program is not lost during the first few months of 1947...there is no assurance that any international agency will be in a position to assume even part of this burden...time is all important. Even if Italy gets all the help she needs in April, the problem will not be solved. Money made available in April will not put goods into Italy until July...ITALY MUST FIND A MINIMUM OF \$100,000,000 BEFORE THE END OF THIS YEAR, AND ANOTHER \$150,000,000 BY MARCH 1947, JUST TO KEEP THE SUPPLY LINE GOING IN THE MOST BASIC COMMODITIES...THERE IS NOW NO ARRANGEMENT BY WHICH THIS MONEY WILL BECOME AVAILABLE AUTOMATICALLY...Wheat is the biggest item. Italy's wheat deficit from harvest to harvest is about two million tons...the problem would be simple if Italy could wait until next April...but the problem is more immediate. It consists of starting imports of wheat as soon as possible to meet this two million ton deficit and at the same time maintain a stock in the country of at least one month's supply...To cover Italy's minimum coal needs through June 1947, Italy will need to bring in about four million tons in the first six months of 1947...The 4,000,000 tons which Italy needs to import on its own account will cost about \$77,500,000...If the funds are not available, Italian industry will run down badly soon after the first of the year... LET ME REPEAT: FOR PURCHASES OF WHEAT, COAL AND PETROLEUM ALONE ITALY NEEDS \$250,000,000 BETWEEN NOW AND APRIL 1947 IN ORDER TO MAINTAIN THE FLOW OF THESE BASIC SUPPLIES THROUGH JUNE 1947...ABOUT \$100,000,000 OF THESE FUNDS NEED TO BE AVAILABLE BY THE END OF THE YEAR, IF THE SUPPLY LINE IS NOT TO BREAK DOWN. CONSIDERING ITALY'S RELATIVE LACK OF EXTERNAL ASSETS, AS A RESULT OF THE WAR, THIS CRITICAL TRANSITION PROBLEM BECOMES LARGELY A QUESTION OF WHERE TO FIND THE MONEY IN TIME."



ITALY FACES ANOTHER CRITICAL WINTER

HEADQUARTERS ALLIED COMMISSION

APO 394

Office of the Executive Commissioner

To: Chief Commissioner.

9 December 1946

The 358 tons of wheat referred to was not a loan to UNRRA. There is no UNRRA in Udine.

The loan was made to the Provincial Welfare Committee which is a unit of the Italian Delegation for Relations with UNRRA, which distributes UNRRA supplies to Provincial Welfare Organizations.

There was no authority for making such a loan. Arrangements are being made for UNRRA to replace this wheat as soon as supplies become available.

Directions have also been issued to prevent such loans being made by the Food Office, Udine A.M.G. in the future. *The Food Office had been told before that such loans were not to be made*

*M Carr* Buy

M. CARR, Brigadier.  
Executive Commissioner.

4095/EE

4004

*(11/16)*

*Peri Can -  
Please advise me - 070  
per our conversation 7/64  
DEC. 041800*

H/8353  
DEC. 051530

PRIORITY

HQ AMG UDINE = FOOD OFFICER  
ALCO<sup>m</sup> FOR ECONOMIC DIVISION INFO; HQ AMG VENEZIA GIULIA FOR CHIEF  
FOOD DIVISION.

UNCLASSIFIED.

1. Subject is wheat.
2. As of 4 December wheat in warehouses and in transit totals 7476 ton
3. On the basis of 235 grams bread and 2000 grams pasta Udine will be supplied up to 1st January 1947 for bread and pasta.
4. ~~445~~ 154 tons wheat needed daily for 235 grams bread.
5. Loss of 2 days subsistence due to loan of 358 tons wheat to UNRRA Udine Province. Please notify whether this wheat given to UNRRA to be considered loan or concession.

4003

AC DIST

ACTION	ECON DIV 3
INFO	CHIEF COMMISSIONER
	EX COMM
	FILE
	FLOAT

*NOT a loan to UNRRA. NO  
UNRRA in Udine.  
Loan to Provincial Welfare Committee  
which is a unit of Italian authority for  
relations with UNRRA & other welfare  
supplies to these welfare organizations.  
No authority to make a loan. Board of Directors  
UNRRA...*

DEC 8 - 1946

*1161*

AICOM ECONOMIC DIVISION

27 NOV 1100

PROVINCIAL COMMISSIONER, ANGO UDINE PROVINCE

5633

RESTRICTED

THE EXECUTIVE COMMISSIONER DESIRES THAT YOU CONFER WITH HIM PRIOR TO ANY CONTEMPLATED DISCUSSIONS BY YOU WITH ANY ITALIAN MINISTRIES PD

*Handwritten:* 4025/1100

*Handwritten:* B

PRIORITY

Economic Division

*Handwritten:* J. de B. Walbach  
J. de B. WALBACH  
Col., C.A.C.  
Director

*Handwritten:* JH  
JOHN R. HAYES  
Major AGD  
Adjutant

550

*Handwritten:* 115



*Mapas*  
*Get me reference*  
*3/1760*  
*gun*  
*cc*  
*28/4*

*Chief Commissioner*

H/ 7482  
 OCT. 27 1700  
 ROUTINE

HQ AMG VENEZIA GIULIA  
 ALCON ECONOMICS INFO AFHQ G-5

UNCLASSIFIED

Subject is fuel oil.

Para 1. Ref your signal 5208 dated 15 Oct. A

In view world Shipping shortage cannot understand any policy which would prevent ships putting to sea. Furthermore difficult to admit this matter under "Disease and Unrest" formula; requirements now are:

- 1) Isonzo 340 tons trials and voyage Rotterdam to load coal under charter Italian Government.
  - 2) Poseidon 60 tons for trials and delivery owners Venice.
  - 3) Letter is 10000 tons tanker and subject to engine trials passed if fit to carry any type liquid petroleum product.
- NOIC Trieste willing recommed C.I.C. med above releases from local stocks. Please take action with AFHQ.

Para 2. Reference AFHQ G-5 letter VG/1006 ES dated 18 Sept.  
 Unable interpret para 1<sup>o</sup> please clarify.

4005/100

A.O.DIST.

- ACTION - ECON.SEC. (3)
- INFO - C.COMMISSIONER
- FILE
- FLOAT

114

16 OCTOBER

ALSON ECONOMIC SECTION

AND VENEZIA GIBLIA

AFHQ G-5

UNCLASSIFIED

6208

SUBJECT IS FUEL OIL PD  
 REFERENCE YOUR OIL THREE CHARLIE SLANT ABLE NINE EIGHT GEORGE SLANT CHARLIE  
 OBOE NINE SLANT ONE SEVEN FIVE SEVEN OF FIVE SEPTEMBER AND OUR FOUR ONE  
 FOUR SEVEN SLANT EASY OF TWO ONE SEPTEMBER PF

ABLE FOX HOW QUEEN GEORGE FIVE ADVISOR CANNOT CONSIDER YOUR REQUEST FOR EIGHT  
 ZERO TONS FUEL OIL TO TEST SHIPS INDOZO AND EDABBOB UTIL INFORMATION REQUESTED  
 BY LETTER ABLE FOX HOW QUEEN SLANT GEORGE FIVE SLANT VICTOR GEORGE SLANT ONE  
 ZERO ZERO SIX SLANT MARY SUGAR OF ONE EIGHT SEPTEMBER IS SUBMITTED PD

D

B

C

[Refs. with FH Sect.]

LUCI

**B** ABLE FOX HOW QUEEN GEORGE FIVE ADVISSES CANNOT CONSIDER YOUR REQUEST FOR EIGHT  
 ZERO TONS FUEL OIL TO TEST SHIPS INSOZO AND IDEADBOE UNTIL INFORMATION REQUESTED  
 BY LETTER ABLE FOX HOW QUEEN SLANT CHERGE FIVE SLANT VICTOR GEORGE SLANT ONE  
 ZERO ZERO SIX SLANT EASY SUGAR OF ONE EIGHT SEPTEMBER IS SUBMITTED CD  
 [C]

[Refs. with F.A. Sect.]

2061

PRIORITY

PAUL T. GRAVES  
 Lt. Col. Inf.  
 Food, Agriculture &  
 AMC Supply Branch

JOHN R. HAYES  
 Major AGD  
 Adjutant

[A]

(114)

HMF/oc

HEADQUARTERS ALLIED COMMISSION  
 100 794  
 Economic Division

21 October 1946

MEMORANDUMFood Situation:

A very small increase in the wheat stocks has occurred in the past week. The stocks on hand now are sufficient to maintain the present ration for 34 days. This is based on the present stock of 1,061,072 tons and a daily maintenance of 12,500 tons.

Fuel Situation:

The shipping strike in the U.S. still continues. The estimate for October arrivals stands at 300,000 tons. The Italian Government have reduced the overall allocation for the months of October and November to 700,000 tons. If no additional coal arrives from the U.S. during this period, stocks will be reduced approximately 250,000 tons, including the Italian State Railway stocks which will be sufficient only for 30 days beyond the end of November. The present drastic cuts in industrial allocations are certain to have serious repercussions on the rehabilitation program for Italy. If the strike is not terminated and sailings resumed in the early part of November, a real crisis will occur.

The shipping strike has also affected the POL situation. Due to the non-arrival of gasoline, stocks have fallen far below the normal 60 day supply. Other petroleum products stand at the 60 day level. There has been no further news concerning the arrival of crude oil.

Power Situation:

Power rationing went into effect in Northern Italy 21 October 1946. The rationing will be carried out by disconnecting all customers one day per week. This rationing scheme was necessitated by the exceedingly high consumption. In Central and Southern Italy the situation is practically unchanged.

H. M. WALKER  
 Col., CE

(113) <sup>8</sup> In the event the strike does not end before 1. Nov. drastic reductions will be made in Nov. Allocations.

4025/w

HEADQUARTERS ALLIED COMMISSION  
AIC 794  
Economic Division

22 October 1946

Ref.:

SUBJECT: Wheat Situation in Italy

TO : Chief Commissioner

1. The wheat situation as of 1 October is as follows: Wheat stock on hand 1,296,075 tons, less consumption from 1--20 October calculated on a daily maintenance of 12,500 tons, gives a balance of 1,046,075 tons. Wheat ships on the way and due to arrive up to 2 November will raise the amount by 14,997 tons or a total 1,061,071 tons. These stocks, based on the daily average consumption will last until 12 January.

2. The original plans of UNRRA for the last half of 1946 call for the import of 750,000 tons of wheat or equivalent cereals. However, only 80,000 tons have been imported to date. It is contemplated that additional imports up to 31 December will be an additional 100,000 tons. Based on the daily consumption, however, this additional supply will only last about 8 days. The balance of 570,000 tons will be slow in arriving and shipments will probably not be completed until 1 June 1947. No allocations have been made by the International Emergency Food Council beyond the end of this year. It is hoped, however, that the major portion of this will be allocated early in 1947. This is only a hope, however, and not certain by any means. Allocations are now made on a month to month basis. At this time UNRRA Italian Mission are unable to state definitely when the balance of their program of 570,000 tons will arrive.

4025/w

3. Mr. Sacerdoti of the Italian Technical Delegation returned to the United States about 10 days ago with the intention of opening negotiations for the purchase of wheat on Italian account. According to a statement from UNRRA, no purchases have been made to date.

4059

*H. M. Walker*  
H. M. WALKER  
Col., CE  
Acting Director

113

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APO 794  
Economic Division

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*H. M. Walker*

H. M. WALKER  
Col., GE  
Acting Director

*Spare*

*4025/pe*

HW/cc

HEADQUARTERS ALLIED COMMISSION  
AFC 794  
Economic Division

22 October 1946

MEMORANDUM

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4058

H. M. WALKER  
Col., CE

112

## HEADQUARTERS ALLIED COMMISSION

A P O 794

Office of the Executive Commissioner

4 October 1946.Chief Commissioner

About two months ago a shipping firm in TRIESTE sponsored by AMG sought permission to use shipping space for the export of goods from mid-Europe. Actually the procedure used to obtain this permission was irregular.

The Mediterranean Shipping Board refused permission and AFHQ then wrote and supported AMG 13 Corps representations that refusal was unreasonable.

We then had to point out to AFHQ that refusal was based on a FAN telegram which lays down that the Italian shipping can only be used for the export of Italian goods or the import of goods destined for ITALY.

AFHQ then put the matter to CCS. CCS have come back and require considerable detailed information, most of which concerns the Mediterranean Shipping Board and which includes such questions as amount of shipping space used in carrying Italian exports and imports, amount that would be available for mid-Europe cargoes etc. They also ask whether there is any political angle.

AFHQ require the information if possible within 3 weeks. The papers are with the Economic Section who are at present taking all action. I will let you see the papers when available but thought you should be informed of this matter *at this stage.*

*M. Carr*  
M. CARR,  
Brigadier,  
A/Executive Commissioner.

4025/12

4056

112



*Spor*

*CC*

HEADQUARTERS ALLIED COMMISSION  
APO 794  
ECONOMIC SECTION

Ref: ES/508

31 May 1946

SUBJECT: Italian Government Take-Over of U.S.  
Surplus Property.

TO : G-5 Section -  
APO 512

109 a

Encl.

With reference to your G-5 960:51, dated 25 May 46,  
you are notified that an answer on the subject was mailed on the  
24th of May.

FOR THE CHIEF COMMISSIONER:

(Signed)  
CHARLES W. WALTON  
Colonel, A.C.  
Acting Vice President.  
CHARLES W. WALTON  
Colonel AC  
Acting Vice President

*10525/10*

4055

*111*

*3*

C O P Y

CC

HEADQUARTERS ALLIED COMMISSION  
APO 794  
ECONOMIC SECTION

Ref: ES/5.08

24 May 1946

SUBJECT: Guards on U.S. Surplus Property  
taken-over by Italian Government.

TO : Azienda Rilievo Alienazione Residuati  
Corso d'Italia, 25,  
ROMA.

1. Allied Force Headquarters has drawn the attention of the Chief Commissioner, Allied Commission, to the present very unsatisfactory position with regard to the provision of guards on U.S. Surplus Property in course of being taken-over by you as agents of the Italian Government.
2. It is a matter of the greatest urgency that the Italian authorities should relieve the U.S. authorities of the duty of guarding surplus property which is awaiting take-over by you. We are informed that unless some relief is shortly forthcoming the U.S. military authorities will be under compulsion to make recommendations for other means of disposal.
3. It appears that at a meeting held on 23 April 1946 among representatives of the U.S. Army, UNRRA, FLC and your agency, the Italian representatives stated that it was very difficult to obtain Italian guards. This is most certainly not the case. As long ago as 27 Dec 1945, the Italian War Ministry received authority to employ civilian armed guards to safeguard stocks of military and civil material handed over by the Allies to the Italian Government.
4. A letter has now been addressed to the Ministry of War pointing out the delay in the provision of these guards and urging them to meet your requirements on receipt from you of details of what you need.
5. Will you therefore please get immediately in touch with the Ministry of War and furnish them with full details of the guards you require and then pursue the matter with the utmost vigour.

4035/a

4034

CHARLES W. WALTON  
Colonel, A.C.  
Acting Vice President.

C O P Y

Action - Econ Sec  
Info - CC  
EC

(111)

CC

COPY

HEADQUARTERS ALLIED COMMISSION  
APO 794  
ECONOMIC SECTION

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1. Allied Force Headquarters has drawn the attention of the Chief Commissioner, Allied Commission, to the present very unsatisfactory position with regard to the provision of guards on U.S. Surplus Property in course of being taken-over by you as agents of the Italian Government.

2. It is a matter of the greatest urgency that the Italian authorities should relieve the U.S. authorities of the duty of guarding surplus property which is awaiting take-over by you. We are informed that unless some relief is shortly forthcoming the U.S. military authorities will be under compulsion to make recommendations for other means of disposal.

3. It appears that at a meeting held on 23 April 1946 among representatives of the U.S. Army, UNRRA, FLC and your agency, the Italian representatives stated that it was very difficult to obtain Italian guards. This is most certainly not the case. As long ago as 27 Dec 1945, the Italian War Ministry received authority to employ civilian armed guards to safeguard stocks of military and civil material handed over by the Allies to the Italian Government.

4. A letter has now been addressed to the Ministry of War pointing out the delay in the provision of these guards and urging them to meet your requirements on receipt from you of details of what you need.

5. Will you therefore please get immediately in touch with the Ministry of War and furnish them with full details of the guards you require and then pursue the matter with the utmost vigour.

CHARLES W. WALTON  
Colonel, A.C.  
Acting Vice President.

COPY

Spare

4025/100

CC

Ref. : 9006/EC

29 May 1946.

SUBJECT: Surplus Property.

TO : G-5 Section  
AFHQ

A report has been received from the Allied Commission Liaison Officer, Liguria, to the effect that jeeps sold to Italian civilians as surplus property are being handed over in their original service colour.

The result is that should any accidents occur, they will immediately be attributed to the Allied Forces, especially as many of the drivers are in possession of battle dress or partial American uniform.

It is suggested that all surplus Army vehicles are sprayed some colour other than khaki in order that the various Police Forces and civilians may be able to differentiate between civilian owned jeeps and those operated by Allied Drivers.

4052/2

For the Chief Commissioner:

A. W. Kneely.

Brigadier,  
Reserve Commissioner.

1952  
Copy to: Brig. KIXX  
Chief Disposal Officer  
Ministry of Supply (Br.)  
Rome

Copy to: FILE 173/EC

KOB

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CC

ALLIED FORCE HEADQUARTERS  
G-5 Section  
APO 512

REC-5 2222

G-5: 960.51

25 May 1946

SUBJECT: Italian Government Take-Over of U.S.  
Surplus Property.

TO : Chief Commissioner,  
Headquarters, Allied Commission  
APO 794

Encl.

An early reply to our letter reference 960.51 dated  
9 May 1946 is requested, please.

BY COMMAND OF LIEUTENANT GENERAL MORGAN:

F. A. L. HAMBLEN  
Brigadier General, G.S.C.  
Assistant Chief of Staff, G-5.

4025/c

EC DIST - 25 May

ACTION - ECON SEC (2)

INFO - CC

- EC.

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ALLIED FORCE HEADQUARTERS  
G-5 Section  
APO 512

G-5: 960.52

9 May 1946

SUBJECT: Italian Government Take-Over of U.S. Surplus Property.

TO : Chief Commissioner, Allied Commission.  
APO 394.

1. As you are aware large quantities of U.S. military items are being made available to the Italian Government. Due to the urgent necessity of redeployment, it is mandatory that the Italian Government shall relieve the U.S. authorities of the duty of guarding this property, which duty remains until the Italians can either guard or remove the property to their own areas of control. The Italian agency, ARAR, charged by the Italian authorities with taking over these military surpluses appears to be doing its utmost to meet the needs of the situation. The agency has however apparently been unable to convince the proper Italian Ministries of the magnitude and requirements of the situation, nor to impress them with the urgency thereof.
2. To secure more prompt action a meeting was held on 23 April 1946 among representatives of the U.S. Army, UNRRA, FLC and ARAR. The necessity for greater aid by the proper Ministry to ARAR was apparent. It was proposed to call another meeting with Ministerial representation. It is reported that both the U.S. Embassy and the Allied Commission stated that it was outside their respective provinces to assist in securing the necessary ministerial representation. It appears undesirable that the U.S. Army should make direct approach to the Italian Ministers, and cumbersome that recourse should have to be made through Washington agencies. 4025/r
3. The question involved is largely one involving the placing of security guards on property available for take-over. Due to the shortage of U.S. guard personnel there is a considerable loss of property which property the Italians no doubt greatly desire. Further unless some relief is shortly forthcoming the U.S. military authorities will be under compulsion to make recommendations for other means of disposal. In addition, the quicker the property is taken over, the quicker real estate can be derequisitioned, the sooner a portion of the prisoners of war can be removed from Italy and the removal of U.S. military personnel from Italy can be completed.
4. Will you therefore use your good offices either to assure that some Ministry will assume paramount interest in the matter to hasten a solution of the problem, or alternatively will you arrange that Ministerial representatives may meet representatives of the interested United States agencies? No responsibility for the conduct or the agenda of the meeting will rest with you. Details of the problem are available from the Rome representative of the U.S. Foreign Liquidation Commission.

5. In view of the importance of this problem, both to the United States authorities, and to the Italians, may it please be treated as one of urgency.

A. L. HAMLEN  
Brigadier General, GSC  
Assistant Chief of Staff, G-5

Copy to: G-4 MTO.

4013

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*Chief Commissioner*

FEB 23 1946

HEADQUARTERS ALLIED COMMISSION  
APO 394  
ECONOMIC SECTION

VQ/as

Ref. PB: 445.1

18 February 1946

SUBJECT : Termination of YF Program.

TO : Interministerial Committee for Reconstruction.

1. The Italian Government has already been informed through the U.S. Embassy that the United States Government has terminated procurement for account of Italian Government as of February 1, 1946. Whatever balance is now left in the Special Troop Pay Account will be placed, with certain restrictions, at the disposal of the Italian Government.
2. As of January 15, 1946, YF requisitions will no longer be processed through the U.S. State Department, but the Department will continue to see that goods procured under YF requisitions go forward to port. Cargo coordination and expediting functions are to be taken over by the Italian Technical Delegation. Beginning with February sailings, shipping documents for all YF cargoes will be passed on to the Italian Technical Delegation for transmittal through its channels to the Italian Government. Current information on status of procurement and shipment of YF supplies will therefore no longer be available to the Italian Government through the Allied Commission.
3. Past records pertinent to the Troop Pay Dollar Program are held in the Requisition Branch of the Allied Commission. They are at the complete disposal of the appropriate agencies of the Italian Government.
4. As notified to the Italian Government in the Chief Commissioner's letter of 26 January 1946, the Allied Commission will continue to forward to the combined supply authorities in Washington Italian requirements for Reserved Commodity List commodities, over and above UNRRA programs, pending other arrangements.
5. No changeover is necessary for procurement in the United Kingdom since it is already handled through the Italian purchasing agent there.

*4025/10*

*LJ*



is now left in the Special Troop Pay Account will be placed, with certain restrictions, at the disposal of the Italian Government.

2. As of January 15, 1946, YF requisitions will no longer be processed through the U.S. State Department, but the Department will continue to see that goods procured under YF requisitions go forward to port. Cargo coordination and expediting functions are to be taken over by the Italian Technical Delegation. Beginning with February sailings, shipping documents for all YF cargoes will be passed on to the Italian Technical Delegation for transmission through its channels to the Italian Government. Current information on status of procurement and shipment of YF supplies will therefore no longer be available to the Italian Government through the Allied Commission.

3. Past records pertinent to the Troop Pay Dollar Program are held in the Requisition Branch of the Allied Commission. They are at the complete disposal of the appropriate agencies of the Italian Government.

4. As notified to the Italian Government in the Chief Commissioner's letter of 28 January 1946, the Allied Commission will continue to forward to the combined supply authorities in Washington Italian requirements for Reserved Commodity List commodities, over and above UNRRA programs, pending other arrangements.

5. No changeover is necessary for procurement in the United Kingdom since it is already handled through the Italian purchasing agent there.

Distribution:

Chief Commissioner  
 Ministry of Foreign Trade  
 Ministry of Industry & Commerce  
 U.S. Embassy (Attn.: Economic Counselor)  
 British Embassy  
 Italian Branch, Office of Foreign Liquidation  
 U.S. State Department Washington  
 Italian Technical Delegation, c/o Italian Embassy, Washington  
 Allied Commission  
 Executive Commissioner  
 Supply Group (Requisition Branch)  
 Economic Section  
 Commerce S/C  
 Finance S/C  
 UNRRA (Attn.: Chief of Mission).

Harlan Cleveland

HARLAN CLEVELAND  
 Acting Vice President.

HEADQUARTERS ALLIED COMMISSION  
Economic Section  
APO 394

Ref: ES/20.02

27 February 1946

*Collaboration in Reconstruction Programing*

SUBJECT: Financing of Essential Imports

TO : Interministerial Committee for Reconstruction  
ROME

1. Further to my memorandum of 8 February, I have now received from the Minister of Industry and Commerce his letter of 14 February in which he gives me details of the program of work of your Technical Committee.
2. It was with pleasure that I read Minister Grenchi's appreciative comments on the results of the collaboration of Allied Commission in the preparation of programs during the last two years. I wish I could undertake to ensure a continuation in the future of the same form of collaboration; however, as UNRRA is assuming responsibility for the type of basic supplies which have in the past been handled by AC, the personnel that have been concerned with the programming of supplies will shortly no longer be a part of the Economic Section.
3. In view of the desire expressed in Minister Grenchi's letter for a continuation of Allied collaboration in the examination of the problems inherent in the economic recovery of your country, I offer the following suggestions for the consideration of the Italian Government.
  4. First, I believe that it would be to Italy's advantage if the Italian Government were to ask the Governments of, say, the United States and the United Kingdom to send to Italy economic and technical missions with agreed

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surplus  
4025/00

his letter of 14 February in which he gives the details of the program of work of your Technical Committee.

2. It was with pleasure that I read Minister Gronchi's appreciative comments on the results of the collaboration of Allied Commission in the preparation of programs during the last two years. I wish I could undertake to ensure a continuation in the future of the same form of collaboration; however, as UNERP is assuming responsibility for the type of basic supplies which have in the past been handled by AC, the personnel that have been concerned with the programming of supplies will shortly no longer be a part of the Economic Section.

3. In view of the desire expressed in Minister Gronchi's letter for a continuation of Allied collaboration in the examination of the problems inherent in the economic recovery of your country, I offer the following suggestions for the consideration of the Italian Government.

4. First, I believe that it would be to Italy's advantage if the Italian Government were to ask the Governments of, say, the United States and the United Kingdom to send to Italy economic and technical missions with agreed terms of reference and limited time schedules. Your Government would thereby obtain authoritative, objective opinions on the condition of Italy as seen from abroad against the background of post-war world economy; an independent estimate of Italy's basic needs for rehabilitation and reconstruction supplies; and a realistic appraisal of the possibilities of securing the necessary foreign assistance. Moreover, the reports of these missions to their respective Governments could have considerable importance to Italy in informing the Governments and the people of those countries about Italy's needs and the ways in which those needs can best be met.

5. Secondly, I would suggest that where, in particular phases of planning for economic recovery, your Government feels the need to consult Allied technical experts, it might

W. J. [unclear]

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be wise to secure the services of professional consultants. There are a number of private firms, both in the United States and in the United Kingdom, which specialize in providing the highest type of technical consultant service. The advantage to your government in this suggestion would be that, since these firms are independent of either governments on the one hand or industrial and financial groups on the other, it can be assured of service in its own interest alone. Moreover, it is my belief that your government would, by hiring them directly in this way, secure the services of better men than by any other approach.

6. Your government would, of course, want to carry out a good deal of preparation for the work of missions and consultants such as I have suggested above. For this purpose the government might wish to invite the collaboration of a small group of officials of the embassies, UNRRA and the remaining economic staff of the Allied Commission. In this case, I should be pleased to examine with you the form this preliminary collaboration might take.

7. In any case, for so long as this Section remains in existence, you may count, of course, on a continuation of whatever assistance you may desire and we are able to give.

Sincerely yours,

HARLAN CLEVELAND  
Acting Vice President

cc: Chief Commissioner ✓  
Executive Commissioner

Ministry of Industry and Commerce  
Ministry of Public Works  
Ministry of Transportation  
Ministry of Foreign Trade  
Ministry of Foreign Affairs  
Ministry of Agriculture

7. In any case, for so long as this Section remains in existence, you may count, of course, on a continuation of whatever assistance you may desire and we are able to give.

Sincerely yours,

HARLAN CLEVELAND  
Acting Vice President

cc: Chief Commissioner ✓  
Executive Commissioner

- Ministry of Industry and Commerce
- Ministry of Public Works
- Ministry of Transportation
- Ministry of Foreign Trade
- Ministry of Foreign Affairs
- Ministry of Agriculture
- Ministry of Marine

American Embassy  
British Embassy

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MAR 1 1946

HEADQUARTERS ALLIED COMMISSION  
Economic Section  
APO 394

Ref: ES/2002

24 February 1946

SUBJECT: Financing of Essential Imports  
TO : Interministerial Committee for Reconstruction  
ROME

1. Further to my memorandum of 8 February, I have now received from the Minister of Industry and Commerce his letter of 14 February in which he gives me details of the program of work of your Technical Committee.
2. It was with pleasure that I read Minister Gronchi's appreciative comments on the results of the collaboration of Allied Commission in the preparation of programs during the last two years. I wish I could undertake to ensure a continuation in the future of the same form of collaboration; however, as UNRRA is assuming responsibility for the type of basic supplies which have in the part been handled by AC, the personnel that have been concerned with the programming of supplies will shortly no longer be a part of the Economic Sections.
3. In view of the desire expressed in Minister Gronchi's letter for a continuation of Allied collaboration in the examination of the problems inherent in the economic recovery of your country, I offer the following suggestion for the consideration of the Italian Government.
4. I believe that it would be to Italy's advantage if the Italian Government were to ask the Governments of, say, the United States and the United Kingdom to send to Italy economic and technical missions with agreed terms of reference and limited time schedules. Your government would thereby obtain authoritative, objective opinions on the condition of Italy as seen from abroad.

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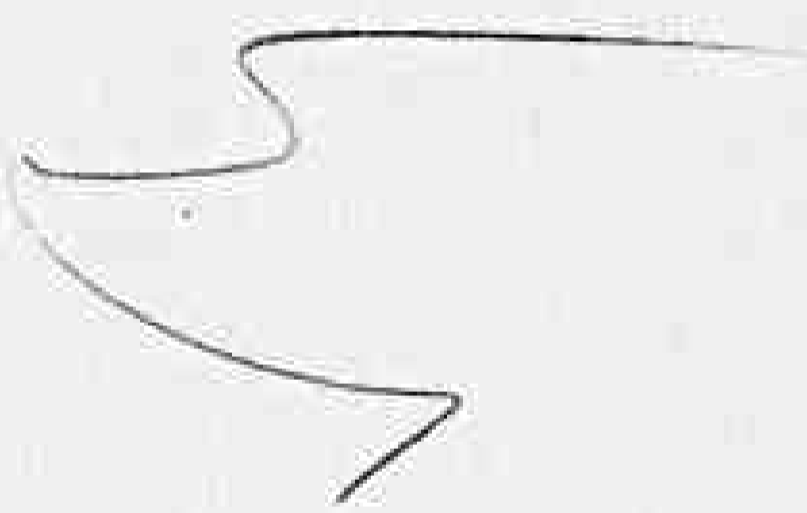
his letter of 14 February in which he gave the program of work of your Technical Committee.

2. It was with pleasure that I read Minister Gronchi's appreciative comments on the results of the collaboration of Allied Commission in the preparation of programs during the last two years. I wish I could undertake to ensure a continuation in the future of the same form of collaboration; however, as UNRRA is assuming responsibility for the type of basic supplies which have in the past been handled by AC, the personnel that have been concerned with the programming of supplies will shortly no longer be a part of the Economic Section.

3. In view of the desire expressed in Minister Gronchi's letter for a continuation of Allied collaboration in the examination of the problems inherent in the economic recovery of your country, I offer the following suggestion for the consideration of the Italian Government.

4. I believe that it would be to Italy's advantage if the Italian Government were to ask the Governments of, say, the United States and the United Kingdom to send to Italy economic and technical missions with agreed terms of reference and limited time schedules. Your Government would thereby obtain authoritative, objective opinions on the condition of Italy as seen from abroad against the background of post-war world economy; an independent estimate of Italy's basic needs for rehabilitation and reconstruction of supplies; and a realistic appraisal of the possibilities of securing the necessary foreign assistance. Moreover, the reports of these missions to their respective Governments could have considerable importance to Italy in informing the Governments and the people of those countries about Italy's needs and the ways in which those needs can best be met.

5. For so long as this Section remains in existence, you may count, of course, on the continuation of whatever



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- 2 -

assistance you may desire and we are able to give.

Sincerely yours,

~~Harlan Cleveland~~  
HARLAN CLEVELAND  
Acting Vice President

cc: Chief Commissioner ✓  
Executive Commissioner

- Ministry of Industry and Commerce
- Ministry of Public Works
- Ministry of Transportation
- Ministry of Foreign Trade
- Ministry of Foreign Affairs
- Ministry of Agriculture
- Ministry of Marine

American Embassy  
British Embassy

LUIS



Ministry of Foreign Affairs  
Ministry of Agriculture  
Ministry of Marine  
  
American Embassy  
British Embassy

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A D D R E S S

by

Mr. Harlan Cleveland  
Acting Vice President  
Economic Section  
Allied Commission

Prepared for Delivery to the Italian  
Chamber of Commerce for the Americas  
and the Italo-American Association

(Palazzo Antici-Mattei, Via dei Fumari n. 31)

4043

16 January 1946

4025/ce

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ADDRESS

by

Mr. Harlan Cleveland  
Acting Vice President  
Economic Section  
Allied Commission

Prepared for delivery to the Italian  
Chamber of Commerce for the Americas  
and the Italo-American Association

(Palazzo Antici-Mattoli, Via dei Sumari n. 31)

*4025/ce*

4043

16 January 1946

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Vorrei scusarmi con voi di parlare nella mia lingua materna, l'americano. Adagio, e spero con successo, sto imparando la vostra lingua; e se mi permetterete di rimanere abbastanza a lungo nel vostro bel paese, spero di riuscirci. Sono certo che molti fra voi mi capiranno ugualmente bene.

Last May I spoke before the American Chamber of Commerce for Trade with Italy, and I feel as though I'm completing a cycle by speaking to you today. On that occasion I tried to give you a sense of the urgency and difficulty of the economic problems facing the Italian Nation, half of which had then been liberated from German control only a few weeks before. Now, eight months later, some progress has been made, but the problems are no less urgent and difficult. This afternoon, I want to convey to you the impression and reactions of a foreigner who is interested in these problems, and anxious, if possible, to assist in their solution.

You have asked me to speak on the Economic Relations between Italy and the United States. It's a big subject. But the chief problem facing Italo-American economic relations can be simply stated: Reconstruction of the Italian economy to a point where Italy becomes a self-supporting member of the family of nations. If this reconstruction job is not successful, the economic relationship between our two countries will continue to be a one-way street and the basic Allied objective of expanding world trade and employment will have been thwarted, at least in this corner of the world. If it is successful, we shall have made an important contribution, not only to the well-being of 45,000,000 Italians, but to the establishment of reasonably stable social and economic conditions in Europe, the lack of which has twice spread war around the world.

40-12 You don't need to be an expert to know what Italy's main troubles are. In sum, they amount to an almost complete dearth of foreign exchange. For you have important industrial capacity here which is fortunately largely intact in the North where it is most concentrated; you have the men and the skills and the hydro-electric power to put most of that capacity to work. You lack raw materials and fuel, and you must import also a part of your basic food needs. Imports require foreign exchange, but you have very little.

So we start with this simple problem -- simple to state, not so simple to solve.

What can the United States do to help solve the problem? First of all, I would like to review what the United States Government has already done, in concert with the British and Canadian Governments, to bail Italy out of a difficult position and start your country off on the road back to a

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normal economic relationship with the rest of the world.

From the first landings in Sicily till today, the American people have directly furnished imports to Italy to the staggering total of about \$350,000,000 (out of a total of about \$450,000,000 from all sources). This figure includes all imports for the civilian population during the period when the Allied military forces were responsible for "preventing disease and unrest", plus the 100-million-dollar FEA program which has covered imports during the last months of 1945. In addition, the President of the United States decided in the autumn of 1944 to put in a special account the dollar equivalent of the net lire expenditures by U. S. troops in Italy, and make it possible for urgent industrial needs to be financed out of this foreign exchange fund under the famous "first aid" plan, il piano di primo aiuto. The amount of money made available under this arrangement has so far amounted to about \$140,000,000, with several more millions to come. Thus, in all, the American people have so far advanced about half a billion dollars to put the Italian people back in business in the post-war world.

That's quite an investment, even for so worthy an objective. With the war's end the United States and her Allies have recently taken a long look at the Italian situation, as part of a total picture of a war-damaged and all-but-bankrupt Europe. Broadly speaking, this is what they saw:

They saw manpower and industrial resources largely idle for lack of materials and fuel.

They saw quickly the basic dilemma of Italy's economic position. Looked at from the standpoint of productive capacity and standards of living, Italy is a part of Western Europe; but from the standpoint of foreign exchange, Italy is not so well placed.

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They saw an administrative system not yet wholly in a position to put the country's limited resources to work uniformly for the benefit of the Italian community as a whole; they winced at the sight of an amassing program for wheat which failed to get beyond 55 percent of a reasonable goal.

They saw what was obvious -- a need for two million tons of wheat before the next harvest, for many other types of foods, for half a million tons of coal a month, for hundreds of thousands of tons of the materials that can breathe life into Italian production and provide the things that the Italian people have lacked for so long -- cotton and wool, rubber and cellulose and hides, medical and health supplies, steel and lumber and chemical products, gasoline and kerosene and fuel oil and lubricant. They saw an import need during 1946 alone of one-billion-dollars worth of supplies -- a sum dwarfed by the cost of this war, but gigantic in present peacetime terms.

\*\*\*\*\*

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So the United States, joined by Great Britain, proposed to the Council of the United Nations Relief and Rehabilitation Administration, UNRRA, that a program of assistance be carried on in Italy comparable to those being carried on in other countries; the Council agrees that such assistance should be given, and should be "adequate to meet the urgent needs of the Italian population." Though the final amount has not been definitely set, this will mean a subsidized Italian import program, costing U.A.S. not less than \$550,000,000, or about \$450,000,000 laid down in Italy. The large amount of freight results from the high proportion of coal and wheat in the program.

But that's the end of subsidies. From now on, the Italian economy must pay its own way.

\* \* \* \* \*

What, then, can the Italian people do themselves to contribute to the solution of their major reconstruction problem -- lack of foreign exchange? The prime necessity in Italy's economic relations with the United States, and with the rest of the world, is of course a sound internal economic situation in Italy. So what any economic doctor would prescribe would be primarily medicine for internal consumption. The basic ingredients of this medicine are I believe of four types:

First, to make sure that the limited amounts of imported supplies are put to the use that will best contribute to the national reconstruction;

Second, to bring the Italian internal price level down;

Third, to secure adequate foreign financing of basic reconstruction materials that must be imported, over and above the UNRRA imports in 1946; and

Fourth, to promote the fullest participation by private commercial interests here and abroad in Italy's international trade.

I would like to say a word about each of these points.

\* \* \* \* \*

Many times in Washington I have been asked the question: "Tell me, what really happens to the supplies we are pouring into Italy?" Unfortunately, I have not always been able to give a detailed answer. But if it was important in the past to make sure that imported supplies were used for the purpose for which they were intended--"preventing disease and unrest"--it will be doubly important in the case of the UNRRA supplies during 1946. For the UNRRA Council has been very specific about the need for control to make sure that UNRRA supplies contribute directly to the relief of people, to make sure that whatever steps are taken to rehabilitate production are taken with a strict view to what is necessary to provide the population with the essentials of civilized living without discrimination. That means that UNRRA cotton cannot be used to make fancy

-4-

goods for the luxury market in Italy, but must be used to provide clothing to people who need it, at prices they can afford to pay. It means that the inadequate amounts of food available must be distributed among the people in the fairest possible way, and at prices that will make it possible for a family to spend on food only 30% of its legitimate income at most, instead of 150 or 200% which forces the family onto the black market as a source of income as well as a source of food. It means, too, that coal and petroleum and raw materials must be allocated strictly according to the ability of each industry and plant to contribute to the job of national reconstruction, and that materials needed in agricultural production should go to those farmers who observe their country's laws on ransoming and rationing. Make no mistake about it -- any improper use of these supplies is a matter of absorbing interest in the countries which are contributing them.

\* \* \* \* \*

Secondly, I mentioned steps to bring down the Italian internal price level. This is not any easy problem, but if Italy is to participate in an era of expanding world trade and employment, its solution is of the first importance. It is plain that at some stage there must be an official decision as to the level at which internal prices are eventually to be stabilized, and all efforts bent to achieving that level as quickly as possible. The flow of free imports provided by UNRRA during the next few months should provide an excellent opportunity systematically to "break" the excessive free market prices in a number of key commodities. I hope that the acknowledged necessity of siding by the export of goods from Italy, in order that they may compete in the world market, will not prevent us from seizing this unique opportunity by selling UNRRA imports at the lowest possible prices in Italy.

\* \* \* \* \*

My third point was the need for additional credits, to fill the gap between the \$450,000,000 which UNRRA will provide, and the billion-dollar Italian needs for 1946, an important difference of something more than half a billion dollars. The proceeds from exports, and <sup>4039</sup> assistance from emigrants, are not likely to provide much more than the equivalent of \$100,000,000 in all foreign currencies. The two other normal sources of significant foreign credits, shipping services and the tourist trade will be very small during the coming year. The answer is therefore to be found only in various types of foreign loans. And here I want to say frankly that I am concerned about this fact: A large number of people worked long and hard a couple of months ago and produced the Italian Government's import plan for 1946; but as of today, except for negotiations for two specialized loans sufficiently energetic steps have not been taken to convert into foreign credits and realistic purchasing plans that part of the 1946 program which UNRRA cannot supply. Private groups and the Government, working together, will need to set forth the most urgent projects in a form which will convince foreign bankers and business men that Italy is a sound investment. If it can be demonstrated, project by project, that foreign

-3-

financing now will not only contribute to the reconstruction of the Italian economy but will place that economy in a position where it can pay the interest and eventually the principal on the loan -- then foreign financing is not out of reach. It will not, however, come to him who, having produced a general program of requirements, waits with folded hands for the needed goods to arrive at the port.

\* \* \* \* \*

Finally, it is important to bring to bear on the job of reopening and expanding Italy's foreign trade in the national interest the full energy and imagination of the private traders.

I do not believe that there is now any important obstacle which need prevent the rapid reopening of private commercial trade between Italy and its major trade partners. As far as the United States is concerned, you are all aware, I am sure, of the steps the U. S. Government has recently taken in this direction. The use of Italian post-liberation dollars has been freed by the U. S. Treasury. As far as export licenses from the U. S. are concerned, shipments to Italy are now in a class with those to the great majority of other countries -- that is, licenses are now required only for the export of goods in short supply. Purchases from the "Free Pay Account" will no longer, after the first of February, be channeled through the U. S. Government. The U. S. Commercial Company will cease to be the monopoly channel for exports from Italy to the United States, as soon as I.C.E. itself is taken out of business as a monopoly exporter, though U.S.C.C. will remain in Italy to aid American importers and Italian exporters on a voluntary basis.

We in the Allied Commission have had a number of discussions with those people in the Italian Government most concerned with problems of foreign commerce; it now remains only for the Government to set a date for the reopening of private trade, and to publish the procedures by which this trade will be regulated by the Government.

In this connection there is one much-debated subject which to my mind is largely a false issue: "Controlled trade" versus "Free Trade." It is obvious that Italy's long-run economic destiny lies in the direction of a furiously free trade -- for under no other conditions can a nation like Italy, rich in manpower and facilities but poor in fuel and materials, hope to participate in the benefits of an expanding world economy. For example, no important part of Italy's renewed participation in world trade will certainly be in the direction of lavorazioni per conto terzi, the selling of services rather than supplies. But it seems to me equally clear, and not really contradictory, that a nation whose foreign exchange resources are as short as Italy's must, during an emergency period, husband carefully the precious pool of foreign credits to be built up by the energy and imagination of its private traders and augmented by the initiative and vision of its Government. Only thus, as I see it, can the Italian people as a whole make sure that the most essential requirements are met first -- during the period when there is enough foreign currency only for the essential requirements.

\* \* \* \* \*



I seem to be offering a lot of free advice this afternoon, so let me add one more general remark, just for good luck. I talk to a fair number of Italian Government officials, business men, and traders, and I think I detect that more and more of them are getting away from what was once a common attitude--hopelessness, expressed most graphically in a shrugging of the shoulders and a wringing of the hands. I think there is now less talk that reconstruction cannot proceed until after the elections, that nothing can be done as long as there are politicians in politics, that the black market is everywhere and therefore all rationing and other controls should be abolished; that the situation is hopeless as long as Italy is still under an American regime, or as long as the institutional question is not decided. But maybe this is only wishful thinking.

Certainly the path leading away from Italy's Great Mistake of the last couple of decades is not easy; but any such lassitude can only help to discredit political democracy, prevent the nation from becoming an economic "going concern", and set the stage for another strong man with the wrong ideas. An energetic determination to meet the problems of Italian reconstruction, difficult as they are, will attract energetic help from the outside. But defeatism can only serve to make foreigners say to themselves, "They're not much interested in their own reconstruction job -- why should we get excited about it?" A contagious self-reliance is, I think, a necessary condition for the successful reconstruction of the Italian economy.

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ES/3.20

13 December 1945

My dear Mr. Ambassador:

I refer to my letter of 31 October 1945, reference 404/18/EC, on the subject of Italian representation on the various European Committees.

Enclosed is a copy of a letter, dated 27 November 1945, reference ES/3.20, from the Vice President of Economic Section to the Executive Commissioner, Allied Commission. Its recommendations have been adopted as the policy of the Allied Commission. Your particular attention is invited to the first sentence of paragraph 8.

The British Ambassador has informed me that he entirely agrees with the views which I expressed in my letter of 31 October to you, referred to above, and that he has submitted recommendations by telegraph to London. I should much appreciate your consideration and adoption of my recommendations as contained in Mr. Cleveland's letter of 27 November, and shall be pleased to learn the terms of your recommendations to Washington.

Sincerely yours,

Ellery W. Stone

Encl - as above

ELLERY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

The Honorable Alexander Kirk  
United States Ambassador  
Rome

100

41025/CC

25/3.20

13 December 1945

My dear Mr. Ambassador:

Your letter of 12 November (reference 201/72/45 C.D.) on Italian representation on European Committees is much appreciated; I shall be most interested to learn of the results of your recommendations to London.

100

Enclosed for your information and any further action you desire to take is a copy of a letter (25/3.20 of 27 November) from the Vice President of the Economic Section to the Executive Commissioner, Allied Commission. The recommendations therein contained have been adopted as the policy of the Allied Commission. Your particular attention is invited to the first sentence of paragraph 8.

I am also sending the American Ambassador a copy of Mr. Cleveland's letter with a request that the American Embassy likewise consider adopting my recommendations and presenting them to Washington.

4025/ce

Sincerely yours,

*Ellery W. Stone*

ELLEERY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

455

Encl - as above

Sir Noel Charles, Bt., KCMG  
British Ambassador  
Rome

Surplus  
201/5/ce

25/3.20

13 December 1945

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Sincerely yours,

*[Signature]*

ELMER W. STONE  
Rear Admiral, USNR  
Chief Commissioner

Encl - as above

Sir Noel Charles, Bt., KCMG  
British Ambassador  
Rome

155

4025/ce

Surplus  
2005/ce

C O P Y

HEADQUARTERS ALLIED COMMISSION  
ECONOMIC SECTION  
APO 394

Tel. : 267

27 November 1945

Ref. : ES/3.20 Vol. 4  
EV/15.12/0  
ES/15.20

SUBJECT: Italian Representation on EECCE, ECO and ECITO

TO : The Executive Commissioner

1. Present US and UK position is reflected by paraphrase of LAS #18, dated 10 November US State Department Washington to US Embassy Rome and letter, 16 November, Poland (A) to Executive Commissioner, as modified by paraphrase of telegram No. 60 US SALCO, 19 November 1945, US Embassy London repeated to US Embassy Rome.

(a) LAS #18 sets forth the US position to be -

"The Department of State now is of the opinion that Italy should be invited immediately to send observers to ECO and EECCE. Italian participation through observers is considered preferable at this time of proposing full membership. In this manner political and jurisdictional questions may be avoided and in view of the informal nature of the above organizations the kind of representation is not of first importance. Italians would, in fact, have full representation in the same manner as other countries represented by observers. No objection to ALCCM continuing to send technical experts to ad hoc meetings in London. In view of the existence of an ECITO office in Rome and the fact that membership in ECITO requires more formal action by the member governments, the State Department is of the opinion that Italian membership in ECITO is not necessary at this time."

(b) Telegram #60 of 19 November 1945 USE London repeated to USE Rome states:

- (1) As to EECCE a separate telegram to follow (not received by ALCCM as of 27 November).
- (2) As to ECO - It was agreed on November 8 at ECO Council meeting that for the purpose of advising US and UK concerning requirements of Italy, Italian technical adviser

- 2 -

would attend Allocations Proposals Committee meeting with AC representative. Although we look with favor on membership of Italy, UK position is that full membership of Italy should not be granted before Government of Italy has full charge of her export-import program. Position of UK is that to enjoy full membership, member country should be free to render decisions as other member governments are. We hesitate to bring this matter before the Council without reaching previous agreement acceptance. Italy, now having technical adviser at meetings on allocations, is able to present justifications for requirements and will be in position to be fully informed regarding activities of ECO. Those observers who are now present at Council meetings represent countries which have not yet received instructions from their respective governments but which have been invited to become members. We are not in favor of Italian observer status on Council at the present moment if it can be avoided; our suggestion is that Italian participation ECO remain for the present as has been agreed, until economic position of Italy enables us to extend full membership invitation."

2. In L&S #18 the U.S. State Department stated "In view of existence of an ECITO office in Rome, the State Department is of the opinion that Italian membership in ECITO is not necessary at this time."

3. It is apparent that there exists some confusion with respect to the proposed establishment of an ECITO Regional Office in Rome. We (the Economic Section AC) understand that under the framework of ECITO, it is intended (see Ref. 870/72/Tn. 1 of 20 November 1945) that each member government of ECITO will set up in its own capital a Regional Office, under its own auspices, to carry out the work of ECITO in that country. Italy not being a member cannot at this time set up such regional office.

4. In order to carry out ECITO's relations with military and occupation authorities in Germany and Austria, a separate continental office has been set up in Brussels under the Deputy-Director General of ECITO (Maj. Gen. Hower). This office covers the military liaison side of ECITO's work and is known as ORMOA (Office for Relations with Military and Occupation Authorities). There are branches of ORMOA in London, (with Headquarters ECITO), in Paris (with Regional Office ECITO) and an office of ORMOA has just been opened in Rome by Brigadier Fellowe. The Rome office of ORMOA will not deal with the Italian Government except through ALCOM or AFHQ (see again ref. 870/72/Tn 1 of 20 November). The Rome office of ORMOA is in no way a substitute for either Italian Government (1) membership (2) official observer or (3) technical adviser, on ECITO.

5. With respect to ECO reference is made to the 8 November meeting of ECO council mentioned in State Department telegram #60 paragraph 1 b (2)

- 3 -

hereof. Col. P. R. Evans (B) who attended the meeting as representative of ALCOM reported as follows:

"At the meeting of the ECO council on 8 November, it was agreed that an Italian "technical adviser" should attend the next meetings with the AC representative. ECO would not agree to an official Italian Government representative, but there is no reason why e.g. Lombardo should not go as a "technical adviser". Representatives will go either as advisers to UK/US members or as advisers to UNRWA, depending on the situation."

Approval (C40737 of 24 November) received from WTCUSA for travel of Colonel Selker and clearance requested for Doctor H. E. Lombardo.

6. Relative to MECE. An ALCOM representative, also Prof. Bergani, Minister of Public Health, Italian Government, have been invited to attend conference under EECE to be held in London on subject "Control of insect and rodent pests." See reference ACF/836 of 29 October.

7. A summary of the situation seems to be that the U.S. State Department favors membership for Italy on the three organizations but because of the position believes that at present the Italian Government should be given the status of "observer". The British view and that of the organizations, appears to be that since certain governments who have not instructed their representatives have the status of "Observers", Italian Government representation should be on the basis of "Technical adviser".

8. It is the view of the Economic Section that the Italian Government should be permitted full membership on EECE, ECO and ECITO as soon as the situation will permit. In the meantime, it is recommended that the Italian Government be given the status of "non-member observer" as distinguished from "Member observer". It is considered that the Italian representation on the basis of "Technical adviser" or "technical expert" should be utilized when representation is desirable on sub-committees of EECE such as conferences on seeds, control of insects, etc., census of railway rolling stock by ECITO, representation on the resin working group which operates under aegis of U.K. Ministry of Supply, etc.

9. It is further recommended that the American and British Embassies, Rome, be requested to again take this matter up with the respective Governments and urge that the Italian Government be invited through diplomatic channels to send "Non-member observers" to represent the Italian Government on EECE, ECO, and ECITO.

(Signed) Harlan Cleveland  
 HARLAN CLEVELAND  
 Acting Vice President

Copy to:  
 POLAD (A)  
 POLAD (B)

COPY

HEADQUARTERS ALLIED COMMISSION  
ECONOMIC SECTION  
APO 394

Tel. : 267 27 November 1945  
 Ref. : ES/3.20 Vol. 4  
       ES/15.12/0  
       ES/15.20  
 SUBJECT: Italian Representation on ECEC, ECO and ECITO  
 TO : The Executive Commissioner

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100



- 2 -

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File

- 3 -

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(Signed) Harlan Cleveland  
HARLAN CLEVELAND  
Acting Vice President

Copy to:  
POLAD (A)  
POLAD (B)

100

OUTGOING MESSAGE  
HEADQUARTERS ALLIED COMMISSION

COMINT

FOR ACTION AGWAR FOR CCS FOR CCAC FOR CLAC RPTD FOR INFO WAROF (LONDON) <sup>DEC 11 1945</sup>  
FOR CABINET SECRETARIAT RPTD AFHQ FOR FBHQ

9176

10 DEC 45

PRIORITY

CONFIDENTIAL

THIS IS MCC FOUR ZERO SEVEN PD  
SUBJECT IS WHEAT FROM ARGENTINE PD

PARA TWO FOR ACTION AGWAR FOR CCS FOR CCAC FOR CLAC RPTD FOR INFO WAROF (LONDON)  
FOR CABINET SECRETARIAT RPTD AFHQ FOR FBHQ REGARDING ECON FAREW

PARA ONE PD COM TWO FIVE THREE SEVEN PD

PARA TWO PD ITALIAN MINISTRY OF FOREIGN AFFAIRS TODAY REPORT THAT THEY EXPECT  
EARLY CONFIRMATION FROM BUENOS AYRES THAT THE SEVEN SHIPS HAVE REVERTED TO  
ITALIAN OWNERSHIP PD

PARA THREE PD NOT KNOWN WHEN SHIPS CAN SAIL BUT UNDERSTOOD THEY COME IMMEDI-  
ATELY UNDER USCOLE MILE ALE PD

PARA FOUR PD MINE WILLIAM TATE LONDON HAD CABLED MINE WILLIAM TATE BUENOS AYRES  
AGREEING TO PURCHASE OF ALL SHIPS BUT STATE THEY CANNOT GIVE FIRM ASSURANCE  
THAT ALL SHIPS WILL BE DIRECTED TO ITALY ON THEIR FIRST TRIP PD

PARA FIVE PD REGARDING GIFT WHEAT COM. THIS IS NOT ALL AVAILABLE PD ITALIAN MIN-  
ISTRY MARINE ARE ASKING UNCLE MIKE ALE TO BRIF FOLLOWING CARGO. COM TWO FIVE ONE  
ZERO TONS ASSORTED VARIOUS GOODS COM TWO FOUR ZERO ZERO TONS WOOD IN TRANSIT FOR  
SWITZERLAND COM ONE FOUR ZERO ZERO TONS WOOL COM THREE ZERO ZERO ZERO TONS  
WHEAT COM ZERO ZERO ZERO ZERO TONS WHEAT PD

PARA SIX PD IF YOU HAVE FURTHER INFORMATION PLEASE SEND IT IN COM SERIES PD

COMMERCE P.T. S/C  
476192

(Saj S.K.I.SJL)

4028

4028/cc

AC DISTRIBUTION

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	(SUPPLY GROUP	)
	(PROGRAM ER.	)
	(REQUISITION ER (10)	)

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COMMERCE SC 2  
MARINE SC

HEAD AGRIC SC 2

4025/cc

PARA FIVE PD REGARDING GIFT WELFARE COM. THIS IS NOT THE  
ESTRY MARINE ARE ASKING UNCLE MIKE ASLE TO SHIP FOLLOWING CARGO. CLN TWO FIVE ONE  
ZERO TONS ASSORTED VARIAN GOODS COM. TWO FOUR ZERO ZERO TONS WOOD IN TRANSIT FOR  
SMITHLAND ONE ONE FOUR ZERO ZERO TONS WOOL COM. THREE ZERO ZERO ZERO ZERO TONS  
MARE ONE ZERO ZERO ZERO ZERO TONS WHEAT PD  
PARA SIX PD IF YOU HAVE FURTHER INFORMATION PLEASE SEND IT IN COM SERIES PD

COMMERCE P.T. S/C  
476192

4023 (Maj S.M.I.SAUL)

<u>AC DISTRIBUTION</u>	
ACTION DIRECTION	ECON SECTION 18
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	CC BR EMB
	CA US EMB
	VIA HOME
	WTR
	FILE

105

ALCOM MILAN FOR FISKE FOR INDUSTRY

8870

1 DECEMBER 1945

PRIORITY

RESTRICTED PD

PARH TO ALCOM MILAN FOR FISKE FOR INDUSTRY FROM ALCOM CITE ACIDY PARH

PARA ONE PD REFERENCE LETTERS <sup>ALC</sup> ALCOM OBLIQUE FIVE FIVE FOUR SEVEN OBLIQUE  
INDUSTRY DATED TWO ONE SEPTEMBER AND TWO NOVEMBER ONE NINE FOUR FIVE TO  
WHICH NO REPLIES RECEIVED PD

PARA TWO PD ITALIAN GOVERNMENT CIRCULAR NUMBER CHARLIE POINT SIX SEVEN  
DATED ONE ONE OCTOBER GAVE ORDERS FOR AND CONTROL OF RELEASE OF BLOCKED  
CONSUMER GOODS PD

PARA THREE PD INFORM URGENTLY IF THESE GOODS ARE IN FACT NOW BEING RELEASED

AS CHIEF COMMISSIONER DESIRES

4023/ac

Copy to :-  
Economic Section.

INDUSTRY DEPARTMENT

328

104

CHARLES FEWINGS, Maj. RASC

G.J. LEONE  
CWO, USA  
ASST. ADJUTANT

cc

AG/11601/26/18

21 November 1945

My dear Mr. Prime Minister,

94

I refer to your letter of 18 October 1945 on the subject of guards for War Material Dumps.

The need for the provision of guards on these Dumps is well understood. It is regretted however that the employment of Carabinieri cannot be authorized, nor can the present strength of Carabinieri be increased for this purpose.

The General Officer Commanding Land Forces Sub-Commission has already replied to the Ministry of War agreeing to the employment of Italian troops for guard duty, provided such employment does not cause interference to training and reorganisation. It is urged however that Territorial Commands be instructed to restrict their guard commitments to a minimum.

Yours very truly,

M. S. LUSH  
*brigadier*  
WILLIAM W. STONE  
Rear Admiral, USNR,  
Chief Commissioner.

41025/100

Professor Ferruccio PARRI  
The President of the Council of Ministers,  
Italian Government,  
ROME.

3

103

AC/537/9/Tn.5

15 November 1945

My dear Mr. Prime Minister:

I have received your letter of 29 October concerning the re-purchase of seven ships sold to Argentina and the proposal to ship 100,000 tons of wheat to Italy in these vessels.

This proposal was communicated in September by your Minister of Marine to the British Ministry of War Transport representative here in Rome, and forwarded immediately to the shipping authorities in London. They have since been endeavouring to arrange that these ships are sailed at an early date carrying this particular cargo.

The matter has again been taken up with them, as you request, but there are several difficulties still to be overcome, one of which is the provision of the necessary fuel for the Atlantic crossing, before the vessels will be ready to sail to Italy.

In the meantime, I feel it is most important to know when and where the wheat will in fact be available for loading, and I understand you are taking steps to find this out. Any information you may receive on this subject should be conveyed as early as possible through your Ministry of Marine to the Allied Shipping Authorities, so that the necessary shipment programme may be prepared accordingly.

Yours very truly,

E. W. Stone

ELDERY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

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

102

1090

785015

AD/537/9/10.3

15 November 1945

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Yours very truly,

*T.S.* Ellery V. Stone

ELLERY V. STONE  
Rear Admiral, USNR  
Chief Commissioner

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

*Luigi*  
4055/100



NOV 15 1945

HEADQUARTERS ALLIED COMMISSION  
APO 394  
LABOUR SUB COMMISSION

WIB/ac

REF : LSO/416-927

14 November 1945

SUBJECT: Rome Conference - Wages in Private Industry - Northern Italy.

TO : Economic Section

1. The long-awaited Rome Conference regarding wages and working conditions in industry was opened in Rome on Tuesday 13 November 1945. Ministers Barbaresi and Gronchi and CGIL Secretary Di Vittorio took leading parts, while industrialists were represented by Avv. Toscani and Avv. D'Onofrio of Confindustria together with the regional Employers' representatives for the Northern Provinces.

2. Preliminary examination of the problem led to the formation of 3 Sub-Committees:

- (1) to consider the differential of wages to be observed between different localities such as large industrial centres in the North, minor centres, and rural districts; and to consider the territorial boundaries of such districts;
- (2) to consider the differential of wages between various industries and between various categories of workers within the respective industries; and to consider the relationship between piece-work and time-rates;
- (3) to consider the composition of the Emergency Indemnities (contingenza) and their relation to variations in the cost of living.

3. These Sub-Committees were duly established on 13 November and have initiated their studies. It is expected that it will be at least 5 days before firm and agreed proposals can be produced.

4. In the meantime, the representatives of Industry sought an interview with Prime Minister Parri, the President of the Council, in an endeavour to extract a statement of the policy of the Italian Government with regard to the control of prices and stabilisation of salaries.

5. An interim meeting of the main conference will be held on 15 November to consider reports of progress of the Sub-Committees.

4023

4025/100

201

Chief Commissioner

*W.H. Brains*  
W.H. BRAINS  
Director,  
Labour Sub-Commission

Out to Exe. Clerk -

29 Mar. 1945

4022

100

NOV 13 1945

HEADQUARTERS ALLIED COMMISSION  
APO 394  
Office of the Executive Commissioner

CS

Ref: 4825/109/20

10 November 1945

SUBJECT: Food Supply for North Italy

TO : Headquarters Region ~~VI~~, VENETIE.  
(Attn: Regional Commissioner)

1. Reference your XVII/014.24 of 15 October 1945. As you say, the question of food supply for the north is of grave concern to the Economic Section of this Headquarters.

2. Efforts have been made to secure the import of an additional 125,000 tons of wheat during December, and on 27 October a signal requesting this was sent to OCS for OCAO and CLAC. Unfortunately no provision was originally made for Venetie Region, which was assumed to be self-sufficient; ~~as~~ it is hoped by the Economic Section that the 70 days supply of cereals may be increased if the rice crop comes up to expectation.

3. It is agreed that should an increased import programme be accepted it would be highly desirable for publicity to be given to it in order to check black market speculations and to enhance public morale.

4825

4825/22

F. H. McCLARY

*[Signature]*  
Brigadier  
Executive Commissioner

99

*[Signature]*

Ref: 4048/18/83.

31 October 1945.

My dear Mr. Ambassador:

It will be within your knowledge that there have been set up in LONDON various international committees such as the Emergency Economic Committee for Europe (E.E.C.E.), the European Coal Organisation (E.C.O.) and the European Inland Transport Organisation (E.I.T.O.). These committees, or at any rate the last two, have executive functions as well as duties of coordination, and the Allied Nations are represented thereon. So far Italy has not been represented and the present view is that she cannot be directly represented until such time as the peace treaty with Italy is signed. On the other hand Italy is vitally interested in these questions, particularly in coal, and there is danger of her case going by default.

It was suggested that SACRED should set up an office in LONDON on a joint British-American basis and that there should work with this office a nucleus of Italian observers representative of the Italian Government who could hold a watching brief and prepare themselves to take over the responsibilities as soon as the peace treaty with Italy was signed. It had been further suggested that Brigadier Anderson, lately Deputy Vice President of the Economic Section of this Commission, with an American deputy, should be appointed as chief of SACRED's office in London. The proposal was, however, rejected in London on the grounds that the amount of Italian business now coming before the international committees did not justify special representation by SACRED in London at that stage.

It was suggested by London that there would be no objection to technical experts being appointed to the sub-committees of the E.E.C.E. and that SACRED representation could be provided for ad hoc at meetings, if necessary, for the other committees.

It is my feeling that because of the decision made in London that SACRED should not set up an office, steps should be taken to permit Italian experts dependent from the Italian Embassy in London to attend these committee meetings either as observers or, if possible, with greater powers. The Italian Government have already represented to me their emphatic desire for such representation and it is also a fact that at certain conferences in London (e.g., telecommunications and transport), the Italian Government have been represented by Italian experts.

40 2/5/46

-2-

I should be glad, therefore, if the matter could be taken up by the Allied Governments to this end in order that Italian interests will not be lost sight of, and, which is equally important, that the Italian Government should not gain the impression that they are being omitted from the deliberations of these committees.

I have addressed a similar letter to Sir Noel Charles.

Sincerely yours,

ELIOT A. STONE

ELIOT W. STONE  
Rear Admiral, USNR  
Chief Commissioner

The Honourable Alexander Kirk,  
US Ambassador,  
ROME.

Sir Noel Charles, Bt., KCMG,  
British Ambassador,  
ROME.

4519

Copy to: G-5, AFHQ.  
Econ Section.

(98)

Translation

The President of the Council of Ministers

S. 10.352

Rome, 29 October 1945

Dear Admiral,

You are certainly aware of the fact that a few months ago, the Argentine Republic gave Italy 100,000 tons of wheat, and that it lately handed back to us seven Italian ships that had been sequestered during the war. It is our great wish that such ships be used during their return journey to the Mediterranean to ship part of this wheat, of which, as you know, we have urgent need, not only to maintain the present bread ration, which is already so small, but also to give the necessary supplements, during the next few months, to the workers messes and soup kitchens which we intend to create.

However, I have been informed that this wheat isn't ready for immediate shipping, while the Allied Authorities insist to have the ships that were handed back transferred without delay to the Mediterranean. I perfectly realize the important reasons that cause such haste on the part of the Allies; however, I beg you to intervene with the Transport Sub-Commission to obtain a measure of tolerance, that will enable our ships to be loaded with Argentine wheat.

I trust you will be good enough to receive this request with such sympathy as our very special position deserves, and of which you, till now, have us so many proofs. Thanking you in advance, I remain, my dear Admiral,

Yours very truly,

S. Ferruccio Parri

Admiral Elbery W. Stone  
Chief Commissioner  
Allied Commission  
Rome

trans. o/o

(97a)

Morgan S  
Held

Have asked Parri (through Montanari) to cable Argentina to find out when wheat will be ready for loading. C (to T.M.M.)

4/10/45/PC

Roma, 29 ottobre 1945



*Al Presidente  
del Consiglio dei Ministri*

S. 10.352

Caro Ammiraglio,

a Lei è certo noto che alcuni mesi addietro la Repubblica Argentina donò all'Italia 100.000 ton. di grano e che recentemente ci ha restituito sette navi italiane messe sotto sequestro durante la guerra. E' nostro vivo desiderio che queste utilizzino il viaggio di ritorno nel Mediterraneo portandoci una parte di quel grano, che, come Lei sa, a noi necessita con estrema urgenza non solo per il mantenimento dell'attuale razione di pane, già così ridotta, ma anche per dare i supplementi necessari, durante i prossimi mesi, alle mense aziendali ed alle mense collettive che progettiamo di creare.

Sono però informato che il grano non è pronto per il carico immediato, mentre le autorità alleate premono affinché il naviglio restituito si affretti a trasferirsi nel Mediterraneo. Mi rendo perfettamente conto delle alte ragioni che ispirano la premura degli Alleati; tuttavia le prego vivamente di voler intervenire presso la Subcommittee sicure trasparenti per ottenere una misura di tolleranza, che consenta alle nostre navi di caricare il grano argentino.

Sono sicuro che Ella accoglierà questa preghiera con la simpatia che merita l'eccezionalità della nostra situazione e di cui ci ha dato finora tante prove. Nel ringraziarla anticipatamente, La prego di gradire, caro Ammiraglio, i sensi della mia più alta considerazione.

4017

1098

a lei è certo noto che alcuni mesi addietro la Repubblica Argentina donò all'Italia 100.000 ton. di grano messe sotto sequestro durante la guerra. Il nostro vivo desiderio che queste utilizzino il viaggio di ritorno nel Mediterraneo portandoci una parte di quel grano, che, come lei sa, a noi necessita con estrema urgenza non solo per il mantenimento dell'attuale razione di pane, già così ridotta, ma anche per dare i supplementi necessari, da collette nei prossimi mesi, alle mense aziendali ed alle mense collettive che progettiamo di creare.

4027

Sono però informato che il grano non è pronto per il carico immediato, mentre le autorità alleate premono affinché il naviglio restituito si affretti a trasferirsi nel Mediterraneo. Mi rendo perfettamente conto delle alte ragioni che ispirano le premure degli Alleati; tuttavia la prego vivamente di voler intervenire presso la Subcommittee consentita alle nostre navi di caricare il grano argentino.

Sono sicuro che Ella accoglierà questa preghiera con la simpatia che merita l'eccezionalità della nostra situazione e di cui ci ha date finora tante prove. Nel ringraziarla anticipatamente, La prego di gradire, caro Ammiraglio, i sensi della mia più alta considerazione.

-----  
Ammiraglio Ellery W. STONE  
Commissario Capo della  
Commissione Alleata  
Via Veneto

Tennio Lami

= R O M A =

47a



14 Nov 1945

Folio 98 sent to  
Stone for reference  
(letter dated 31 Oct. 45)

4016

4025/ea

I N C O M I N G M E S S A G E

HQ ALLIED COMMISSION

Orig Ref FX 49163 not to all FX 50005

Msg Ctr No G/2007

DT Orig: OCT 231746A

LT Recd: OCT 251930A

Pred: PRIORITY

FROM: SIGNED SACMED CITE FHPET

TO : ACTION AGEMAR INFO TROOPERS. CINCMED MALTA. PENNSSE. USFLET  
 ROME. RAF MED/MED CAIRO. ROME AREA. ALCONI HOME. US EMBASSY  
 ROME. BRITISH EMBASSY ROME. FOR ANFO INFO. TROOPERS FOR  
 ST2. ROME AREA FOR PET SIC ATHQ.

RESTRICTED

Subject is Italian national state requirements.

Item 1. MOC 258 stated estimated Italian monthly civil requirements as of July 45 only and made no provision for necessity to provide working stocks to cover distribution of offtake for an independent national program plus additional commitments now being transferred from Military such as state railways, Italian Navy and Airforce and other public utilities. It must therefore be considered obsolete.

Item 2. In order to meet actual total Italian consumption and bring Italian stocks of fuels and lubricants up to a working level of 45 days supply fuels and 60 days lubricants by December 31st it is necessary to withdraw from present military holdings and from military bases in the following quantities of fuels and lubricants over and above Italian bases in as shown on STAT 22. Fuels. All quantities in thousands of barrels. October. 20 AVIATION. 74 MOBAS, 17 kerosene, 103 Diesel, total white

214 Navy special fuel 240. November same quantities except

recruitment as of July 45 only and made no provision for necessity to provide working stocks to cover distribution of offtake for an independent national programme plus additional commitments now being transferred from Military such as state railways, Italian Navy and Airforce and other public utilities. It must therefore be considered obsolete.

Item 2. In order to meet actual total fuel and consumption and bring Italian stocks of fuels and lubricants up to a working level of 45 days supply fuels and 60 days lubricants by December 31st it is necessary to withdraw from present military holdings and or from military dues in the following quantities of fuels and lubricants over and above Italian dues in as shown on STAT 32. Fuels. All quantities in thousands of barrels. October. 20 AVGAS, 14 MORGAS, 17 kerosene, 103 Diesel, total white 214. Navy special fuel 240. November same quantities except no AVGAS. December same as November. Lubricants September. Already delivered approx 11138 barrels of lubes and 7975 barrels of asphaltum. October already authorized to meet consumption 10062 barrels of lubes 10 Tons of wax and 43985 barrels asphaltum. November and December to meet consumption and build up of stocks as well as absorb surplus grades in Military depots 9624 barrels of lubes, 1000 tons wax and 53,000 barrels of asphaltum.

Item 3. Above planned, paragraph 2 is urgently necessary in order to place Italian level of supply on working basis. Italian economy especially in Northern ITALY being seriously jeopardized due to lack of sufficient working stocks. Withdrawals

97

Page No 2

as above planned will still leave 45 days supply of fuels and 50 days lubricants in hands of military at end of December and cover total military consumption up to that date provided dues in as called for on STAF 32 plus all recent additions are shipped in full.

Item 4. Practically all of lubricants being turned over but excepting all asphaltum will be taken from August 31 stocks and are no less than 90 days supply. Of the fuels approx 284,000 barrels will be from August 31 stocks on a lire basis (less than 60 days supply) and remainder of 339,000 barrels plus oil dues in on a dollar repayment basis.

Item 5. In addition to excess Navy symbol 4055 as mentioned our FX 49163 now estimates following additional excesses on hand (excepting small miscellaneous items). 3800 barrels Navy symbol 5190. 1200 barrels Navy symbol 5170. 1,000 barrels Navy symbol 2190. 2200 barrels saturated steam cylinder. 1180 barrels superheated cylinder. Suggest all these excesses with exception 8,000 barrels 4055 which cannot be used by civilians turned over to CIP for Italian National futur's programs.

Item 6. Above has been agreed with G-5 and AG; AG continuing to CCS in COM VEC series.

Dist.

Info-action - Requis Div 2  
Info - Chief Commissioner  
Exec Commr 2  
Econ Sec 2  
Comptroller SC

all dues in on a dollar repayment basis.

Item 5. In addition to excess Navy symbol 4065 as mentioned our FX 49183 now estimate following additional excesses on hand (excluding small miscellaneous items). 3800 barrels Navy symbol 5190. 1200 barrels Navy symbol 5190. 1,000 barrels Navy symbol 2190. 2200 barrels saturated steam cylinder. 1160 barrels superheated cylinder. Suggest all these excesses with exception 5,000 barrels 4065 which cannot be used by civilians turned over to CIP for Italian National future programs.

Item 6. Above has been agreed with G-5 and AC. SC. confirm to GUS in OOR VOC series.

Dist.

Info-Action - Requisition - 2  
 Info - Chief Commissioner  
 Exec Commr 2  
 Econ Sec 2  
 Commerce SC  
 Industry SC 2  
 TM SC 2  
 Air SC  
 Navy SC  
 L Forces SC  
 File

HEADQUARTERS ALLIED COMMISSION  
APO 394  
Office of the Executive Commissioner

cc

ES/15.12/0

23. October 1945

My dear Mr. Ambassador:

Further to Chief Commissioner's letter ref. ES/15.12/0  
of 25 September 45, I am pleased to forward, for your information,  
TROOPERS cable to FREEDOM, reference 78008 DCA of 5 October 45.

This is the latest information on the subject.

E. WASH

Brigadier  
Executive Commissioner

The Honorable Alexander O. Kirk  
American Ambassador  
Palazzo Margherita  
Via Veneto 119  
Rome

96

C O P Y

78008 DCA

CONFIDENTIAL

G 298

OCT 051630A

OCT 071135A

TROOPERS

PRIORITY

FREEDOM INFO ALCON

CONFIDENTIAL

For GENERAL DUFF FROM ANDERSON. Your FX 46242 28 September

1. Postponed interdepartmental meeting yesterday felt that amount of Italian business now coming before International Committees in LONDON does not justify special SACMED representation in LONDON at this stage. Detailed examination of position as regards individual committees gave the following results.
2. Supply requirements go to CLAC in WASHINGTON and only such small proportion as provided by UK is dealt with here.
3. Civilian coal for ITALY at present provided by U STATES ECO does not at present allocated coal to ITALY but merely takes cognizance of U STATES decision. In view of allocation from USA there would seem to be no necessity for adviser from SACMED regularly to attend their council meetings but we shall presume right of SACMED representative to attend meetings as adviser to British and American representatives as well as representative from SACMED in ECO Secretariat. It was however thought better not to ask for special representation of Italian interests on ECO until UNRRA takes over as agreement of ECO would have to be sought to this. When UNRRA takes over the position will have to be reviewed.
4. Controlling powers represent ITALY at ECTO Council and Beard meetings and we understood ECUTO Office to be opened in ROME for Liaison with military and control authorities. Council does not meet frequently and best solution would seem to be that controlling powers representative on ECITO can if necessary ask for assistance from you when Italian interests under discussion.
5. Matters discussed in EEOE at this stage do not appear to affect ITALY greatly and it is thought that her interests could adequately be

2. Supply requirements go to ~~USA~~ in ~~proportion~~ as provided by UK is dealt with here.

3. Civilian coal for ITALY at present provided by U STATES ECO does not at present allocated coal to ITALY but merely takes cognizance of U STATES decision. In view of allocation from USA there would seem to be no necessity for adviser from SACMED regularly to attend their council meetings but we shall presume right of SACMED representative to attend meetings as adviser to British and American representatives as well as representative from SACMED in ECO Secretariat. It was however thought better not to ask for special representation of Italian interests on ECO until UNHRA takes over as agreement of ECO would have to be sought to this. When UNHRA takes over the position will have to be reviewed.

4. Controlling powers represent ITALY at ECITO Council and heard meetings and we understood ECUTO Office to be opened in ROME for Liaison with military and control authorities. Council does not meet frequently and best solution would seem to be that controlling powers representative on ECITO can if necessary ask for assistance from you when Italian interests under discussion.

5. Matters discussed in EECB at this stage do not appear to affect ITALY greatly and it is thought that her interests could adequately be protected by representatives of controlling powers who would ask for assistance from you if special problems should arise. Where however subcommittees are appointed to consider technical problems particularly from long term point of view there would be no objections to technical experts being appointed either by SACMED or Italian Govt as seemed most suitable. This would be matter for special arrangements in each case.

6. There was very full discussion and I am satisfied that problems discussed by these committees at this state are not such as to necessitate any change from the present arrangements of setting up of SACMED representation in LONDON provided that we can ask for expert (ADHCCF) help if necessary. It certainly does not seem necessary to ask Brig. ANDERSON to postpone his return to LONDON County Council for this purpose, though I agree that he would have performed these duties excellently if permanent representation had been necessary.

DIST  
Info-Action - Exec Com.  
Info - Chief Com  
Est Sect  
Econ Sec 2  
File

(96)



OCT 23 RECD

ca

HEADQUARTERS ALLIED COMMISSION  
APO 394  
Office of the Executive Commissioner

Ref: 4002/23

26 October 1945

SUBJECT: Italian Representation on BECE

TO : Economic Section

1. Reference Troopers signal G 293 of 07 Oct, please prepare, for signature of the Chief Commissioner a letter to the Minister of Foreign Affairs conveying such portion of the signal as you consider appropriate.

2. CC's letter of 30 Sept. (Ref: 23/3.20 of Sept) in reply to the Ministers 44/20135/53 of 21 Sept. promised to notify him of the decision.

3. Copy of Executive Commissioner's letter to Ambassador Kirk, transmitting copy of the signal is enclosed.

87

87

85

4025/20

4012

**P. H. McCLEARY**  
Chief Staff Officer  
To Executive Commissioner

95

CF

Translation

COPY

The President of the Council of Ministers

Rome, 18 October 1945

Dear Admiral,

as you know, the Italian Government is very much interested in obtaining surplus allied and ex-German war material. Operations for the assignment of some camps are already taking place. However, the result which the Italian Government aims at, risks to be frustrated, because of the scarcity of our police forces, and the impossibility of using even a small part of them for anything except for public order, if there is no way of assuring the protection of the camps that have been ceded.

Unfortunately a large amount of property has already been stolen, to the great damage of national economy, for the stolen material is sold on the black market, thus causing regrettable speculations to take place.

To be able to dispose of a certain number of well armed guards, the High Command of the CC.RR. Corps and the War Department, in agreement with the Minister for Reconstruction, sent requests, of which we enclose a copy, to the Public Safety and Land Forces Sub-Commissions.

I take the liberty of bringing such requests to your attention, my dear Admiral, requests which cannot be reduced, for they express the requirements of the Italian Government; if feel sure that you will understand the importance and urgency of the question. At the same time, I want to ask for your kind intervention with the Supreme Allied Commander, so that the Allied Military Authorities have the guard duty carried on, at least in the larger among the camps which are being ceded to the Government, this, till the above mentioned special units are formed.

4011

4025/100

Believe me,

Truly yours,

s. Ferruccio Parri

Admiral Ellery W. Stone  
Chief Commissioner  
Allied Commission  
Rome

EC DIST - 23 Oct

Action - CA Tec 4025/100  
Info - Land Forces  
- Chief Com  
- the Com

369

*E. C. Personal*

OCT 24 RECE  
OCT 25 CC

231

Translation

The president of the Council of Ministers

*Another request for use of Ad. Troops. Please support. This is a reason why Parri considers himself under severe restriction by Amintore*

Rome, 18 October 1945

*ms*

*cc*

Dear Admiral,

As you know, the Italian Government is very much interested in obtaining surplus allied and ex-German war material. Operations for the assignment of some camps are already taking place. However, the result which the Italian Government aims at, risks to be frustrated, because of the scarcity of our police forces, and the impossibility of using even a small part of them for anything except for public order, if there is no way of assuring the protection of the camps that have been ceded.

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Believe me,

Truly yours,

S. Ferruccio Parri

*MS/Sec*

Admiral Elsie W. Stone  
Chief Commissioner  
Allied Commission  
Rome

E.C. DIST. 230k

ACTION - CA Sec

INFO - Land Jones s/c

- Chief Comm. ✓

- Exec Comm.

trans. e/c

(94)

Transiation

War Department  
Cabinet

Rome, P.M. 3600 17 October 1945

Prot. n. 222629/II-227.5.2.

Subject : surveillance of depots of materials

To : Land Forces Sub-Commission  
A.G. (M.M.I.A.)

R o m e

As it is known, the Allied authorities concerned informed beforehand the Italian Government that a large amount of surplus war material existing in various large depots, was to be ceded against payment.

The Ministry for Reconstruction pointed out that it was necessary to have such depots watched during the time which must elapse between the handing over of the depots and the selling of the materials to civilian industries.

Considering that this question is of great interest for national reconstruction, I suggest it would be advisable to have Army units as well as elements from the CC.RR. and R. Guardia di Finanza participate in the surveillance of the above mentioned depots.

I shall therefore be most grateful if this Mission gives permission to use, for this temporary service, units taken from the territorial brigades which are being formed, and, should the above mentioned depots be located in the neighbourhood of the garrisons of combat teams, also elements from the said teams.

I cannot at present specify exactly the number of men to be employed in this task, for the allied authorities haven't yet stated what depots are to be ceded. However, considering that the handing over may take place suddenly, it is necessary to have as soon as possible a permission on general principles, to be able to provide at once to the above mentioned requirements. Delay would imply robbery of material to the great prejudice of national economy.

THE MINISTER

S. JACINI

P.O.C.  
CHIEF OF IIND OFFICE  
S. Lt. Col. Fausto Monaco

93

TranslationCOMMAND OF THE CC.RR. - UFFICIO ORNAMENTI

n. 2,2/2

Rome, 16 October 1945

subject : Personnel of the Corps, required for guard duty and vigilance of the depots of allied material to be ceded to the Italian Government.

To : public safety sub-commission

and  
War Department (Sab.)

Rome

The Ministry for Reconstruction asked this Command for 4 thousand soldiers of the Corps, for watch duty and vigilance of the depots of materials which will be ceded to the Italian Government by the Allies.

The Command can only agree to the request on the following conditions:

1 - this personnel must be considered in surplus to the present force of the Corps, fixed to 6, thousand units (including the territory of the Trieste Legion) or 7, thousand men, should the request for an increase of 10 thousand soldiers be granted.

2 - The War Department must supply everything in the way of clothing, armament, outfit and food for the said personnel, as well as, bedding, vehicles and billeting for the soldiers.

3 - The men must be taken from among the draftees and soldier who had been kept in service, that should now be discharged to keep the Corps within the limits fixed by the authorities concerned, and who have or shall express the wish to remain in service.

We beg this sub-commission to give its approval for the assignment of this personnel on the above mentioned conditions.

THE COMMANDING GENERAL

S. BRUNETTO BRUNETTI

trans. o/c

92

CONFIDENTIAL

78008 DCA  
OCT 051630AG 298  
OCT 071135A  
PRIORITYTROOPERS  
FREEDOM INFO ALCOM

CONFIDENTIAL

For GENERAL DUFF FROM ANDERSON. Your FY 46249 28 September.

1. Postponed interdepartmental meeting yesterday felt that amount of Italian business now coming before International Committees in LONDON does not justify special SACMED representation in LONDON at this stage. Detailed examination of position as regards individual committees gave the following results.

2. Supply requirements go to CLAG in WASHINGTON and only such small proportion as provided by UK is dealt with here.

3. Civilian coal for ITALY at present provided by U STATES ECO does not at present allocated coal to ITALY but merely takes cognizance of U STATES decision. In view of allocation from USA there would seem to be no necessity for adviser from SACMED regularly to attend their council meetings but we shall presume right of SACMED representative to attend meetings as adviser to British and American representatives as well as representative from SACMED in ECO Secretariat. It was however thought better not to ask for special representation of Italian interests on ECO until UNRRA takes over as agreement of ECO would have to be sought to this. When UNRRA takes over the position will have to be reviewed.

CONFIDENTIAL

- 2 - CONFIDENTIAL

4. Controlling powers represent ITALY at ECTO Council and Board meetings and we understood ECITO Office to be opened in ROME for Liaison with military and control authorities. Council does not meet frequently and best solution would seem to be that controlling powers representative on ECITO can if necessary ask for assistance from you when Italian interests under discussion.

5. Matters discussed in EECB at this stage do not appear to affect ITALY greatly and it is thought that her interests could adequately be protected by representatives of controlling powers who would ask for assistance from you if special problems should arise. There however sub committees are appointed to consider technical problems particularly from long term point of view there would be no objections to technical experts being appointed either by SACMED or Italian Govt as seemed most suitable. This would be matter for special arrangements in each case.

6. There was very full discussion and I am satisfied that problems discussed by these committees at this state are not such as to necessitate any change from the present arrangements of setting up of SACMED representation in LONDON provided that we can ask for expert (ADHOC?) help if necessary. It certainly does not seem necessary to ask Brig ANDERSON to postpone his return to LONDON County Council for this purpose though I agree that he would have performed these duties excellently if permanent representation had been necessary.

4000

90

B

List

- Info-Action - Exec Comm 2
- Info - Chief Commissioner
- Est Sect
- Econ Sec 2
- File

CONFIDENTIAL

*Chief Commissioner*

FOR ACTION TROOPERS RPTD FREEDOM

6597

5 October 1945

Priority

RESTRICTED PD

REFER YOUR SEVEN SEVEN FIVE ONE TWO C A ONE SIX RE EMERGENCY ECONOMIC COMMITTEE FOR EUROPE PD

PARA ONE PD CAPT CLEMENT H AUIT AND IENA PASSERINI PAREN FEA CIVILLIAN PAREN WILL ATTEND BRUSSELS MEETING PD

PAREN FOR ACTION TROOPERS RPTD FREEDOM FROM HQ AIGOM CITE ACAGR PAREN

4063

Distribution:  
Chief Commissioner  
Economic Section

Agriculture S/C

Ext. 262

James H. Merritt  
Director

*4025/10*

90



Headquarters Allied Commission  
Rome, Italy  
Economic Section

JWH/omt

6 October 1945

Sec State Washington

Chg: FEA

For: Hunt, FEA

From: Merritt

Authorization requested for travel of Lena Passerini to Brussels  
Belgium to attend seed conference of Emergency Economic Commission  
for Europe beginning October 9 for approximate ten day period.

Approved:

American Embassy

Approved:

Joseph W. Hughes  
Administrative Officer

5064 cc: James Merritt  
Office of Chief Commissioner  
FEA with # of cable

90

EWS/hjp

3 October 1945

TO WHOM IT MAY CONCERN:

This is to certify that the release of Brigadier D. L. ANDERSON, C.B.E., has been compulsorily delayed under the "operational necessity" clause of the Release Scheme until the 5th of October 1945.

I much hope that we may have further use of his services in connection with the prosecution of Italian interests in the various Governmental committees in London.

*W. Ellery W. Stone*

ELLERY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

4003

*cc: Exec. Commr.**(A)**4025*

**CONFIDENTIAL**

F 46861  
OCT 021253A

F/9750  
OCT 021520  
PRIORITY

AFHQ SIGNED NAMED WITH PHONO  
ALCON ROSE

CONFIDENTIAL.

Ref telephone conversation Brig ANDERSON/HAMELEN.

Request ANDERSON and one staff Captain with necessary documents to  
open Rear AFHQ LONDON be despatched to LONDON on or about 5 October  
by air.

DI T

ACTION HIGH ETC 2  
INFO CHIEF COMMISSIONER  
EX COMMISSIONER 2  
EXT SEC  
FILE

4062

**CONFIDENTIAL**

*4062/ce*

*88*

*↳*

Ref. 33/3.20

30 September 1945

My dear Mr. Minister:

I refer to your letter 44/20133/53 of 21 September 1945 dealing with Italian representation on the Emergency Economic Committee for Europe.

The problem of presenting Italy's views and needs at that and kindred committees has been under discussion for some time and I expect to hear the decision within the next few days.

Yours very truly,

*W. E. Stone*ALEX W. STONE  
Rear Admiral, USNR  
Chief Commissioner4063  
Dott. Alcide de Gasperi  
Minister of Foreign Affairs  
Italian Government  
RomeCC LIST:  
Exec. Commr.  
Econ. Sec.  
Pol Advsr (A)  
Pol Advsr (B)

87

40251/2/3

CONFIDENTIAL

EX 46248  
REF 281846A

F/9416  
SER 290950A  
PRIORITY

FREEDOM SIGNED ALBANY CITE FHCAO  
ACTION TROOPERS INFO ALCCM

CONFIDENTIAL.

For General ANDERSON DCA from DUFF.

We spoke on telephone last Wednesday on subject of setting up SACMID REAR HQ in LONDON. You said inter departmental conference would consider on Thursday afternoon. If proposal approved we had intended that British representative should be Brigadier D L ANDERSON whom you know. His experience in ITALY and knowledge of Italian economic situation are exceptional. We have no other candidate nearly as strong. On return here I find that ANDERSON is due for release in near future to return to employment with LONDON County Council. He believes LCC would agree to his continuance in Army for a further period on our request. Decision however in near future is essential. In view of yesterday's discussion can you say whether it is reasonably certain that our proposals will be accepted in such a form that we may count on ANDERSON's employment in this capacity in LONDON by end October. ANDERSON available immediately return LONDON either in anticipation of release or for discussion with you as to his future employment.

LIST

- INFO-ACTION: Est Sec 2
- INFO: Chief Commissioner
- Ex Commissioner 2
- Econ Sec
- File

CONFIDENTIAL

86

100/100

1120

785015

Translation

The Minister of Foreign Affairs

44/20133/53

Rome, 21 Sept 45

Dear Admiral,

I have heard that an 'Emergency Economic Commission for Europe' has lately been formed, to study European resources and economic requirements, and supply elements for judgement to the Allied Governments. This Commission works chiefly through the channel of the 'Food and Agriculture Sub-Commission' which is meeting in London, in Lancaster House. Representatives of Great Britain, the United States, Belgium, Cecoslovakia, Denmark, France and Norway belong it.

The Italian Government greatly wishes to be allowed to participate. In the general frame of the European food problem, Italian matters are particularly serious. For this reason, I think that an Italian representative might supply useful informations, and competently explain the requirements of the country, in the said Commission.

May I ask for your kind intervention, to have the wish of the Italian Government taken in kind consideration.

Believe me, my dear Admiral,

Yours very truly,

s. De Gasperi.

See 87

44/20133/53

Admiral Ellery W. Stone  
Chief of the Allied Commission  
Rome.

EC DIST - 24 Sept 45  
Action : Econ Sec (2)  
Info: Chief Commr  
Exec Commr  
Polad (A)  
" (B)

trans/ e/c

85

file

AFHQ, action for US POLAD Information G-5

5295

13 September 1945

ROUTINE

RESTRICTED

REURAD SUBJECT GENERAL EUROPEAN CONFERENCE ON FOOD AND AGRICULTURAL STATISTICS  
 TO BE HELD IN LONDON DURING WEEK BEGINNING ONE SEVEN SEPTEMBER PD  
PAREN TO AFHQ ACTION FOR US POLAD INFORMATION TO G-5 FROM HQ AICOM CITE ACHOO PARIEN  
 MAJOR VICTOR ROGER ABIE COWPER ROGER ABLE OBOE CHARLIE ONE ONE SIX SEVEN ONE THREE  
 WILL REPRESENT FOOD SUB COMMISSION AND FIRST LIEUTENENT WENDELL MILE ADAMSON CMA  
 ABLE UNCLE SUGAR CMA ABLE SUGAR NAN CMA ZERO ONE FIVE FOUR ZERO FIVE SIX EIGHT CMA  
 WILL REPRESENT AGRICULTURE SUB COMMISSION PD REQUEST FURTHER INSTRUCTIONS

3353

Economic Section

546

CHARLES W. WALTON  
 Colonel  
 Chief supply Division

5  
 NICHOLAS PIOMBINO, CWO, USA  
 Assistant Adjutant

COPY

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HEADQUARTERS ALLIED COMMISSION  
Office of Political Adviser (A)

September 12, 1945

TO: Chief Commissioner  
SUBJECT: Transmission of Message

Attached hereto is a copy of a telegram which has just been received at the American Embassy from the United States Political Adviser at Allied Force Headquarters for transmission to you.

*McBride*

R. H. McBride  
Asst. Political Adviser (A)

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Gen Mc Kinley

Will you please submit draft

reply for C.C.

RM/1945

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40257/4

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Exo Com.

Gen Mc Kinley talked to Exo Com before  
(over)



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COPY

TELEGRAM RECEIVED

Please transmit to Admiral Stone the following message which I have just received from Ambassador London:

"Emergency Economic Committee for Europe in cooperation with URA is sponsoring general European conference on food and agricultural statistics in London during week beginning September 17. Conference is primarily concerned with method rather than current figures as such, object being to secure maximum feasible degree of usefulness and comparability in information on food production and consumption now being collected in various countries.

"Participation in Conference by representatives of Food and Agriculture section of Control Commission in your area is strongly desired.

"Please advise whether you will be able to send representative."

I should appreciate urgent reply.

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OFFICE

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CC FILES

HEADQUARTERS ALLIED COMMISSION

APO 394

Economic Section

SEP 4 1945

LDL/sc

Tel: 267

3 Sept. 1945

Ref: 100/ES

SUBJECT: Coordination.

TO : Representatives of the Economic Section and Representatives of Sub-Commissions of Economic Section, Office of Representative of the Chief Commissioner, AC, Milan.

1. Attention has been called to the fact that there is at this time no officer charged with coordinating the activities of the representatives of the various Sub-Commissions of the Economic Section located at Milan. There arise from time to time problems involving food, industry, commerce, price functions, etc. which require some degree of coordination at Milan, particularly as those matters relate to the North Italy Industrial Price-Fixing Board.

2. Col. Glendinning, now representing the Industry Sub-Commission at Milan, is designated as the coordinator of the representatives of the various Sub-Commissions of the Economic Section, including the Price Branch and those officers of the Economic Section stationed at Milan. working on the 1946 Italian program. This matter has been discussed with Col. Glendinning and he is conversant with his duties. It is not expected that this is in any way a substitute for the regular functioning of the representatives with their respective Sub-Commissions.

3. Col. Glendinning is authorized to represent the Acting Vice President, Economic Section, and is authorized to act on behalf of the Allied Commission on economic matters requiring Allied Commission concurrence and approval.

4. It has also been decided that when the territory now comprising northern regions is turned over to the Italian Government, liaison officers from various Sub-Commissions of the Economic Section will be left in Milan. It is contemplated that these economic liaison representatives will require coordination by one officer. Decision has been taken that Col. A. N. Hancock (British), now Deputy Regional Commissioner, Lombardia Region, will be such coordinator. It is, therefore,

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various Sub-Commissions of the Economic Section, including the Price Branch and those officers of the Economic Section stationed at Milan working on the 1946 Italian program. This matter has been discussed with Col. Glendinning and he is conversant with his duties. It is not expected that this is in any way a substitute for the regular functioning of the representatives with their respective Sub-Commissions.

3. Col. Glendinning is authorized to represent the Acting Vice President, Economic Section, and is authorized to act on behalf of the Allied Commission on economic matters requiring Allied Commission concurrence and approval.

4. It has also been decided that when the territory now comprising northern regions is turned over to the Italian Government, liaison officers from various Sub-Commissions of the Economic Section will be left in Milan. It is contemplated that these economic liaison representatives will require coordination by one officer. Decision has been taken that Col. A. N. Hancock (British), now Deputy Regional Commissioner, Lombardia Region, will be such coordinator. It is, therefore, requested that Col. Glendinning and all representatives of Sub-Commissions of the Economic Section, together with representatives of the Price Branch and officers of Economic Section working on the 1946 Program, make available to Col. Hancock any information or assistance he desires, in order that he may become familiar with the economic operations in the North and thus be in position to assume the duties of Economic Coordinator when the liaison groups are set up. It is considered that Col. Hancock will have some time to devote to this matter now in addition to his regular duties as Deputy Director of Lombardia Region.

5. This communication has the approval of the Chief Commissioner.

FOR THE ACTING VICE PRESIDENT:

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my

L. D. DENSMORE  
Colonel, FA  
Chief Staff Officer

DISTRIBUTION:

- Executive Commissioner (2)
- Establishments Section (2)
- G-1 (B) (1)
- Civil Affairs Section (2)
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- Production Division
- Price Branch
- All Sub-Commissions, Ec. Sec., HQ Rome
- Office of Representative of CC, Milan
- Industry S/C " , Milan
- Commerce S/C " , "
- Food S/C " , "
- Price Branch " , "
- Col. A. H. Hancock, Lombardia Region
- Regional Commissioner, " "
- Minister Industry & Commerce, Italian Govt. (5)

300.

AUG 31 1945

cc

Ref: 4024/41/EC.

31 August 1945.

SUBJECT: Special Committee on Postwar Economic Policy and Planning.

TO : Economic Section.

Chief Commissioner has seen your 63/3.20 of 18 Aug 45 and letter attached, C-69, C-5 AFHQ of 14 Aug 45. I suggest that your Section and Sub-Commissions be prepared to furnish their monthly reports to the committee, and to meet them in conference, and that meetings with the relevant Ministers of the Italian Government be arranged.

M. S. LUSH

Brigadier,  
Executive Commissioner.

ESL/JG.

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27 August 1945.

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Replying to your letter of 20 August concerning the proposal that SACMED should set up a small office on a joint British-American basis in London, I concur with this proposal provided (a) that it does not operate to make for delay in securing action on matters which must be referred to higher authority, and (b) that such Italian observers as are attached should be provided by and depend from the Italian Embassy in London and not from ministries of the Government at Rome.

In explanation of (b) above, it is important that we not weaken the position of the Italian Embassy in London. The Embassy could be encouraged to increase its economic staff to the extent required, but if the observers were to be furnished directly by the Government at Rome, there is a danger that such appointments would become political plums for distribution to the various political parties.

I concur with your suggestion that Brigadier Anderson could well handle these duties and I should be able to relieve him here by about 1 October. But I will talk with you later on this point.

I have not discussed this matter with the Italian Government, first because I am certain they would approve, and second because I do not want to build up any hopes in advance until the project is somewhat further along.

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W. Stone

ELLERY W. STONE  
Rear Admiral, USNR  
Chief Commissioner

Major General A. C. Duff, OBE, MC,  
Chief Administrative Officer,  
Allied Force Headquarters,  
C.M.F.

Copy to: Brigadier Lush  
Brigadier Anderson

S. Stone

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OBC, M.C.

Major General A.C. DUFF  
CHIEF ADMINISTRATIVE OFFICER  
ALLIED FORCE HEADQUARTERS  
C. M. F.

CAO/117 AUG 22 1945  
CC1720  
20 Aug 45

Dear Admiral Stone,

I am writing in order to put before you certain proposals which seem to me to be of considerable importance. They originated in suggestions made from LONDON some weeks ago, and meanwhile there has been some exploratory discussion here.

In brief, the proposal is that SACMED should set up a small office on a joint British-American basis in LONDON, and that the heads of this office should be prepared to represent officially SACMED's views whenever such representation is necessary or desirable. SHARP has always maintained a rear office in LONDON, and we suspect that they have derived benefit by doing so, and sometimes at SACMED's expense.

At first sight it may not appear why this should be of any immediate interest to you or to the Italian Government, but I think that in fact the most important part of the duties of this rear office would be the representation of those of SACMED's interests which are also - incidentally - Italian.

During the last few weeks, various international committees have come into being, and of these the two most important are ECO and ECITO. You probably know what their proposed functions are. ECO - European Coal Organisation - is concerned with the production and distribution of coal throughout Europe. ECITO - European Central Inland Transport Organisation - is charged with the co-ordination of inland transport throughout Europe. Both of these Committees have executive functions as well as the duties of co-ordination, and in the coming six months these executive functions seem likely to be of considerable importance. On both these Committees the Allied nations are represented, but ITALY is not represented and cannot be directly represented until such time as the Peace Treaty with ITALY is signed. ITALY is vitally interested in these questions - in coal in particular - and there is danger of her case going by default.

Our suggestion, therefore, is that SACMED should set up an office in LONDON on a joint British-American basis. To this office I consider that there should be attached a nucleus of Italian observers representative of the Italian Government. These Italians would hold a watching brief, would be kept fully in the picture of what was going on, and would prepare themselves to take over the responsibilities as soon as the Peace Treaty with ITALY is signed. Meanwhile, the senior British and American representatives would have to be officers of a certain seniority, and the level of Brigadier or Colonel seems appropriate.

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CHIEF ADMINISTRATIVE OFFICER  
ALLIED FORCE HEADQUARTERS.  
C. M. F.

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Which individuals should be selected would be a matter for discussion, but on the British side I feel that we can produce no officer so well qualified as Brigadier ANDERSON if he could be relieved of his present duties.

Would you turn this over and, if you think fit, consult informally with the Italian Government? If next week you are coming in to a SACMED meeting, perhaps you would be able to discuss the question with me afterwards. If, on the other hand, there is no SACMED meeting next week, would you either let me have a written answer or pay us a visit for the purpose.

Yours very sincerely,

C. C. D. J.

Rear Admiral Ellery W. STONE, USN  
HQ Allied Commission,  
CMF

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Bing Andersen

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Genl. McKinley

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brought me  
by Quintavalle  
at Tiah /

<sup>3999</sup> Pls. have it  
translated  
& see me with

CONDITION OF ITALIAN ECONOMY IN THE NORTH

The policy of the Italian fascist Government that in the beginning had saved Italy from the post-war chaos in 1919 and that had later reestablished order, and had begun wonderful public works helping agriculture - Industry and Commerce to normalise its activities, and obtaining at home and abroad recognition and approval (except a very low percentage of insignificant accidents, made important only from political propaganda), was transformed after a period of time, in a hateful tyranny, which in 1934/35 signed the beginning of Italy's own fall. With the useless Abissinian war, made only to find a way out to a policy without chance of success, and resolved after in the alliance between Italy and Germany an in the war against Anglo-Saxons nations, two things which the 90% of the Italian population had accepted, against their will, ideals and traditions, obliged by violence, brutal force and organized against the unarmed people.-

From that moment the policy of the Government was directed only to the masses, with all sorts of political and economic concessions contrary to all possibilities for the natural economic of exchange

Abolishing all possibilities of honest work and creating a chaotic situation throughout the country, based on improvvised ~~ed~~ anti-economic laws, made without any study or preparation, and by incompetent people, and applied only by force against all logical possibilities, based on illegal laws and sanctions.-

And so in the country two disastrous conditions were created: amongst the intellectual class an unbelievable corruption that was encouraged by the necessity of finding the means to avoid laws that it was impossible to apply;-and amongst the working classes a complete disregard of the principle that every earning or security was to be the direct consequence of work done.-

With this bad preparation the downfall of fascism began in April 1943 and the terrible period of the nazi-fascist republic in September of the same year.-

The Allied victory in 1945 found Northern Italy in a complete Chaos - workers were the bosses of socialized factories, and even without working were receiving their pay, and prizes with the conviction that all was to be given to them with the complete abolishment of individual property and the governing classe And a period of terror and most cruel violence began and when the history of it will have been made, we shall realize that it surpassed the

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cc: Com Sec.

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most tragic periods of past revolutions.-

PRESENT SITUATION

Today Italy (naturally a poor and overpopulated country) is semidestroyed materially by the war, and morally by the fascist example and the poisonous laws that have been propagandized to the people specially in Northern Italy by the Anarchical nazi-fascist republic.-

The conditions of Italian labour that has always been extremely low, is now reduced to such a state that it will take many years of hard work to bring it up again.- The policy that has been followed for years to make Italy a self supporting Nation, against any practical possibility, for the main purpose of making war, has brought Italian Industry and Agriculture to such a point of antieconomic organization that the only possibility for the Italian people to go back to the status that God had intended for them, is to shred all the artificial structure that has been imposed and to find in their natural resources a means of living. This cannot happen at once, for all Italian Economy, as in a first period this artificial economy will be able to survive owing to world requirements for reconstruction. But certainly in a future more or less distant, these conditions will have to be taken into consideration, if complete chaos is to be avoided.-

At the present moment the conditions of Italy are the following:

- 3867
- 1°- The intellectual class is more or less as a whole accused to have helped fascism, and it is continuously menaced, persecuted and hit. This enable those extremist factions to carry out a revolutionary propaganda, and enables them to carry out class retaliations, and to try and lead the country to a communist government that in other circumstances, could not exist in a country that is already worked up to the last acre by an excessive population.-

For this reason it is impossible to find men capable to governing and the country is left without a lead, and with no program in such a difficult moment, and the governing class has no means to react to this bancruptcy as every word they may say may be used as a prosecution that inevitably ends in the loss of life or of liberty.-

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- 2°- The working classes in Northern Italy, having been worked up by a studied nazi-fascist propaganda that wanted to punish Italy for having thrown out fascism has now adopted the methods of violence that the nazi-fascist used, and firmly believes that they can destroy property and the governing class

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assuming themselves the management of all the existing activities and deviding amongst themselves the fruits that in their ignorance they believe to come automatically from any concern, even if it is badly equipped and worsely directed, and naturally they believe they will be able to work little and earn a lot.-

At the present moment nobody works, continuing the policy followed during the period of the nazi-fascist republic, that was then used as sabotage against the government.- The fault is given to lack of raw materials, in most cases totally untrue, whilst the truth is that the workmen, no more compelled by the employer or by the top directive personnel that have been/ eliminated, prefers to be paid and fed by the compulsory firm messes, without working and without being tied to working hours.-

The factory Liberation Committee, (that are pratically real "Soviets") have abolished guards and controls with the excuse that the worker/ must be left to his conscience for carrying out his work.-

If may be that this situation is secretaly directed by the Communist Party that has come from Moscow with 1.200 italian members, trained in Russia, so as to provoke the total collapse of capitalistic economy, that, once ruined, it would never find again on its paths in the future.-

#### POSSIBLE TEMPORARY SOLUTION

Whilst all the world is anxious of reconstruction and the best agricultural and Industrial part of Italy has still its means of production intact, it seems incredible that the Allies do not wish to temporarily profit of these conditions for the very difficult reconstruction of European peace.-

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In our opinion a direct american intervention with a view to reestablishing temporally and legally the agricultural and industrial production of the country would be of great advantage to everybody and would be approved of by at least 70% of the italian population which sees itself in danger of being overwhelmed by an unreasonable minority.-

To achieve this purpose the American intervention ought to guarantee the application of labour laws as they exist in the U.S.A. firmly recognizing the right of ownship and the free contracting of labour, abolishing the present artificial bonds which do not allow dismissals and establish fixed wages for the workers without taking into consideration their real producing efficiency.-

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And above all legality ought to be safe-guarded by applying that order which should ensure all rights of liberty to every citizen and not only to certain classes.-

This would be the first step for bringing Italy to a state of lawful productiveness and enabling her to joining the world forces which are working for peace. Italy could thus take part immediately if the Allies help by supplying the most vital raw materials, in the struggle for rebuilding what the war has destroyed, and in the struggle for the moral recovery of that psychology of order and work, to which a mass of 45 millions people could contribute considerably.-

#### POSSIBLE FUTURE PROGRAM FOR ITALIAN ECONOMY

Taking for granted that in the near future that is to say as soon as the first period of post-war lack of goods and frenzied demand for these goods is over - the world will have to be organized, as far as possible on a basis of free exchanges, and Italy, particularly, because of her special characteristics, will have great interest desiring a very limited customs system which alone could bring about a decrease in the cost of living.-

#### AGRICULTURE

to make agriculture secure and prosperous it will be necessary to proceed gradually towards the abolition of those restriction which exist to day regarding the contracts for the occupation of the land and the use of labour, thus leaving the farmers free to grow what they want, and effectively protecting ownership in drawing up a program and carrying out new measures which ought to:

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- a) eliminate gradually all uneconomical cultivations thereby freeing lands, which at present are totally unproductive owing to the ruinous self-supporting policy. If the a.m. liberty should come into existence, it will be made use of spontaneously by the farmers, who by comparing prices on the international market, will avoid uneconomic products and will gradually put the necessary alterations into practice;
  - b) Encourage new cultivations which are <sup>suggested</sup> suited to our country and to the various type of earth, by an intelligent propaganda in local farming newspaper or by means of local wireless station which would deal with agricultural problems, and other technical bodies which dispose of advisers and agricultural experts;

c)

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- c) Assist the farmers by giving them easy terms, loans etc. or founding co-operative societies in the case of small holdings, to prepare the most suitable and efficient of method of dealing with agricultural products. Taking as example the splendid organization already existing in Italy, such as Cirio - Arrigoni - Polenghi Lombardo - the Faenza experimental cellars etc. thus making Italian agriculture a producing and exporting organization of good quality products, suitable to our land, which is rich in high class vegetables and fruits, cheeses, wines etc. and poor of mass products on account of the nature of its earth and climate.-
- d) Take as example Denmark and Portugal which have made a speciality in all the country of their typical products thus creating rich exportation trade.-
- e) Help with all possible means the technique of presenting and exporting products, by creating special, well informed offices at the consulates (particularly with local specialized staff) which could give useful indications as to the demands of the markets, the method of packing which is most in favour, the prices obtainable etc.-

The change over to this type of cultivation, whilst putting to a better use, lands, which at present are not very productive and always subject to seasonal weather conditions because of their extensive culture, would involve a larger employment of manpower because the more specialized culture will require more care, and a further manpower employment will be necessary for the processing, preparation, packing and expeditions of these goods, and large availabilities of currency to purchase those mass products that are the basis of the nations food and that would be only cultivated in the poorer lands where the climate and irrigation system consent the cultivation of a second crop, therefore rendering possible the cultivation of poorer products.-

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INDUSTRY

The abolition, or mere reduction to a fiscal system, of import customs would have the sure effect, provided that the two basic conditions for stabilisation of markets have been settled: i.e. cessation of spasmodic requests for the reconstruction and

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and stabilization of exchange rates, of a remarkable reduction of many Italian Industrial activities that up to now have only continued to exist because of the "self supporting" policy and protective custom barriers, and of a consequent importation of mass production goods that can be produced more cheaply in foreign countries.-

Probably more than half of the existing industrial plants would disappear, especially in the field of heavy industry, whilst a sure development of medium and small industries, and of typical and artisan concerns would take place, in which the initiative and capacity of elements now employed in the big industrial concerns would bring a remarkable expansion and an augmented activity.-

Once that the international markets have been settled, certain industries, making spare and accessory parts would be created, and their products, if convenient, could be used in foreign countries.-

These industries up to now have not been able to expand as their market was very limited owing to the high rates of costs imposed by an autarchical regime.-

The elimination of a certain type of antieconomic industries would be made possible by the fact that for many years the building industries will be working at full rate, with no competition from foreign countries, and absorbing large masses of workers.-

#### COMMERCE

Commerce will not undergo many changes from its present status, as organizations created for the exchange of national products can be adapted for the commerce of imported goods.- At the very most there will be an increment in the personnel owing to a competition amongst a larger number of producers, and more work, due to international trade in comparison of national market.-

#### UNEMPLOYMENT

As result of what above stated, the only sector in which a certain unemployment would occur will be in the industrial field.-

3900 The statistics of the last census of the 12.4.1926 (in which year there was practically no unemployment) show that the personnel employed by industry in all Italy amounted to 5.500.000 (including building industries). We can suppose that about 2.000.000 of these workers would lose their jobs, if what stated in paragraph "Industry" were to come true. However taking into consideration that the transformation of agriculture would require a larger employment

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in this field, out of a total 9.000.000 agricultural workers of that period, let us suppose that this figure would be increased by 5% i.e. 500.000 unemployed worker would be absorbed, and very probably they originally were farmers but had passed to the industries during the past years.-

A further increase of 10% for commerce (1.500.000 employed) would give work to 150.000, as in the past years it was impossible to find domestic helpers owing to the industrial expansion.-

A certain amount, perhaps 500.000 workers, that were attached to industries, could find work with the building industries, and with the new industries for processing food products, and with the increased artisan and typical product producing industries; therefore the actual unemployed would amount to 7 or 800.000 that would have no capacity for specialization, and that could emigrate (through controlled and cared policy) to other countries, thus reopening in the Italian budget that most necessary credit represented by foreign remittance that has always been extremely useful for balancing international payments, and giving us a possibility of purchasing the raw material of which we have no availabilities and those finished goods that it is not convenient for us to fabricate.-

#### FINANCE

It would be an imperdonable mistake and would cause irreparable loss to the country if we were to arrive at an immediate settlement of the public debt and of currency problems before the conditions for the renewal of production and therefore the return to normal conditions of the output of labour and the balancing of cost of living.-

If we take the figures of our public debt and compare them with the original currency, at the present free market exchanges, it will be seen that Italy has not more than 5 billion lire of internal debt, which amounts a little more than 100 lire per each inhabitant, while she is almost free from foreign debts. The present free exchanges do not correspond with the cost of living and therefore it would be necessary to let the market settle themselves naturally,

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giving them possibilities of international exchanges which would rapidly balance prices of production with sale prices and would level out the real value of the different currencies.

A heavy demagogic taxation to settle the public debts on its present basis, while the country, for a long time now, has been going through a serious productive crisis, would bring all kind of disasters.-

Nearly half of the public debt is made up of currency, which, owing to present conditions, has proved necessary and not at all superfluous for the needs of circulation; it is the psychological moment of saving which it would be a serious mistake to up-set.-

The rest, ~~●~~ can be transformed into consolidated debt, which if circumstances change, can, as always, reduce its rate of interest, bringing about a reduction of real expenses which is what really counts in the budget, while capital is only a fictitious figure.-

If, on the other hand capital is attacked, at a time when there is a great economic need of having capital available to repair the destruction caused by the war, the country would be economically ruined and the revenue from taxes and duties, continuity of which is much more important than a drawing of capital from time to time would suffer a serious loss which would prevent the balancing of income and expenses the only thing which a wise administration of the Treasury must try to achieve.-

To achieve this balance a strong reform of all our fiscal organization would be necessary, considering that the most necessary thing is to obtain an exact knowledge of all incomes, -and then to proceed to enforce rigorous taxation, which can strike really heavily on the incomes which surpass ~~●~~ certain limits.-

It ought to be easy to achieve this, if it were really desired, by copying the fiscal legislation, the economically most progressive democratic countries, and which, far from considering big profits a sin, uphold them as an example of productive capacity, and control them closely, obliging them to be known, and drawing from them subsequently that revenue which it will never be possible to calculate or exploit, while this revenue is obliged to be hidden in secret funds or other ways, and which furthermore prevent the forming of big incomes which alone can enable the application of such an advantageous income tax.-

The carrying out of this economic program, which we think is the only one which could enable Italy to live successfully in harmony with the great independent nations, would also have an even more important psychological effect.-

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The present agitated conditions of the masses of the people is essentially due to a mistaken economic policy.-

Take a labourer and oblige him to become a workman without any inclination or technical instruction, and you will create a dissatisfied man who, on account of the enormous effort which he must make to turn out, with great difficulty, a very badly done work, will be convinced that he has a right to a pay out of all proportion to his work, and will envy his mate or superior who perform much more delicate and well paid work without having to sustain so great an effort.-

An envious bitterness against the more skilled classes, will grow in this man who will eventually demand indistinct social equality.-

Take an ignorant peasant who can only sow unscientifically and reap meagre harvest by primitive methods, and pay him three or four times more than the harvest is worth in countries which carry out agriculture on scientific lines, and he will believe that he has no more need of capital, of guidance or technical assistance and will claim the land for himself, without realizing that his work, performed without any artificial protection, would bring to misery and starvation.

This is the psychological element which has brought the mass of the more ignorant and unskilled labourers to a state of revolutionary agitation, while without their overbearingness, the well behaved and intelligent workers, who make a continuous study of their work to improve their conditions and to achieve the well being of their families, would reason and act very differently.-

When we have eliminated fictitious economic activities and put the unskilled labourers in the place to which their ability entitles them, we shall certainly see the country calm again and every one trying to find his proper place in life according to his own abilities (positions).-

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CONDIZIONI DELL'ECONOMIA ITALIANA NEL 1945

La politica del governo fascista italiano che al principio aveva salvato l'Italia dal caos del dopo-guerra del 1919, e che aveva successivamente ristabilito l'ordine e dato mano a meravigliosi lavori pubblici, aiutando l'agricoltura, industria e commercio nella sua stabilizzazione, e riuscendo all'interno e all'estero largo riconoscimento, (salvo una percentuale insignificante di incidenti resi importanti solo della propaganda politica) si trasformava per troppo col tempo in una odiosa tirannia che nel 1934/35 iniziava la svolta dell'Italia verso la rovina, l'inutile guerra d'Etiopia, fatta solo per cercare una via d'uscita a una politica senza scampo; si risolveva poi nell'alleanza con la Germania e nella guerra contro gli anglo-sassoni, due cose a cui il 99% degli italiani dovettero assoggettarsi contro ogni volontà, ideali e tradizioni, obbligati con la violenza della forza bruta armata e organizzata contro il popolo inerme.

Da tale momento la politica del governo si rivolse solo verso le masse per attirarle e sé con ogni sorta di concessioni politico-economiche, contrarie ad ogni possibilità della naturale economia degli scambi, rovinando ogni promessa di sano lavoro e creando una caotica situazione del paese, basata su leggi antieconomiche improvvisate senza studio né preparazione da persone incapaci, e fatte applicare solo con l'imposizione contro ogni possibilità e base d'illegali leggi e sanzioni.

Vennero così a crearsi nel paese sue disastrose condizioni, nella classe del lavoro intellettuale una corruzione non mai immaginata che trovò partito da leggi impossibili da applicare per superarle disonestamente, e nella classe del lavoro manuale la perdita completa della pretesa che ogni guadagno o previdenza/dovessero essere direttamente legate al rendimento del lavoro.

Con questa triste preparazione si iniziò il periodo della caduta del fascismo nell'aprile 1943 e la terribile era della repubblica fascista dal settembre dello stesso anno.

La vittoria degli alleati nell'aprile 1945 trovava l'Italia del Nord preda al caos più completo: gli operai padroni delle fabbriche socializ-

L'Italia verso la rovina. L'inutile guerra d'Etiopia, fatta solo per cercare una via d'uscita a una politica senza scampo, si risolveva poi nell'alleanza con la Germania e nella guerra contro gli anglo-sassoni, due cose a cui il 99% degli italiani dovettero assoggettarsi contro ogni volontà, ideali e tradizioni, obbligati con la violenza della forza bruta armata e organizzata contro il popolo inerme.

Da tale momento la politica del governo si rivolse solo verso le masse per attirarle a sé con ogni sorta di concessioni politico-economiche, contrarie ad ogni possibilità della naturale economia degli uomini, rovinando ogni promessa di sano lavoro e creando una caotica situazione del paese, basata su leggi antieconomiche improvvisate senza studio né preparazione da persone incapaci, e fatte applicare solo con l'imposizione contro ogni possibilità a base d'illegali leggi e sanzioni.

Vennero così a crearsi nel paese due disastrose condizioni: nella classe del lavoro intellettuale una corruzione non mai immaginata che trascinò partito da leggi impossibili da applicare per imperie disonestamente, e nella classe del lavoro manuale la perdita completa della premezza che ogni guadagno o provvidenza/dovevano essere direttamente legate al rendimento del lavoro.

Con questa triste preparazione si iniziò il periodo della caduta del fascismo nell'aprile 1943 e la terribile era della repubblica nazi-fascista dal settembre dello stesso anno.

La vittoria degli alleati nell'aprile 1945 trovava l'Italia del Nord preda al caos più completo: gli operai padroni delle fabbriche socializzate che da tempo non lavoravano più pur percependo guadagni, premi, aiuti infiniti con la convinzione che tutto dovesse essere dato loro con la spazzatura più completa della classe dirigente e della proprietà individuale.

E purtroppo si iniziò il periodo del terrore e della violenza più crudele che - quando se ne farà la storia - sorpasserà probabilmente quanto fatto nei più tragici periodi delle rivoluzioni passate.

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Stato di fatto

Oggi abbiamo l'Italia (già povera di per sé e sovrappopolata) esani di-  
strutta materialmente dalla guerra e moralmente dalla scuola fascista e  
dalle leggi velenose inculcate nella testa del popolo specialmente del  
Nord dalla anarchica repubblica nazi-fascista.

Il livello del lavoro italiano già estremamente basso prima, è ora ridot-  
to a tale punto che sarà grave compito di molti anni il risollevarlo. La  
politica seguita per anni per fare dell'Italia, centro ogni possibilità  
fisica, un paese autarchico solo allo scopo di potere fare la guerra, han-  
no portato l'agricoltura, l'industria e il commercio a tali limiti di or-  
ganizzazione antieconomica, che la sola possibilità per il popolo italia-  
no di poter riprendere il posto che Dio gli ha assegnato nel mondo, è di  
disfare tutta la bardatura artificiale impostagli, e di trovare solo nela-  
le proprie possibilità naturali, le condizioni di vita. Questo non avverrà  
subito per tutta l'economia italiana, giacché questa potrà in un primo mo-  
mento trovare ancora condizioni di vita artificiali prodotte dalla doman-  
da di tutto il mondo per la ricostruzione. Ma certo in un avvenire più p-  
simo prossimo, queste condizioni si imporranno se non si vorrà il caos  
completo del paese.

Al momento attuale la condizione dell'Italia è la seguente :

a) La classe intellettuale è tutta più o meno accusata di avere aiutato  
il fascismo, ed è colpita, minacciata, perseguitata accanitamente.  
Questo si presta in modo insperato per gli elementi estremisti alla  
propaganda sovversiva che in questo modo può agevolmente compiere ven-  
dette di classe e cercare di portare il paese ad un governo comunista  
che in altre condizioni non potrebbe mai trovare possibilità di vite  
in un paese così povero e già sfruttato fino all'ultimo ettaro da una  
popolazione eccessiva.

Per questa ragione non si riesce a potere trovare uomini capaci di  
governo e si lascia il paese a sé senza guida e senza programma in un  
momento tanto difficile, senza che la classe dirigente possa avere il  
modo di reagire allo sfacelo, dato che ogni parola da essa lanciata  
costituisce un'accusa che in questo momento di arbitrio di popolo, tro-  
va la risposta immediata nella perdita della vita o della libertà.

b) La classe lavoratrice dell'Italia del Nord, montata da un anno e mezz-

no di poter riprendere il posto che Dio gli ha assegnato nel mondo, è di disfare tutta la bardatura artificiale impostegli, e di trovare solo nelle proprie possibilità naturali, le condizioni di vita. Questo non avverrà subito per tutta l'economia italiana, giacchè questa potrà in un primo momento trovare ancora condizioni di vita artificiali prodotte dalla domanda di tutto il mondo per la ricostruzione. Ma certo in un avvenire più o meno prossimo, queste condizioni si imporranno se non si vorrà il caos completo del paese.

Al momento attuale la condizione dell'Italia è la seguente :

- a) La classe intellettuale è tutta più o meno accusata di avere aiutato il fascismo, ed è colpita, minacciata, perseguitata eccentamente. Questo si presta in modo inaspettato per gli elementi estremisti alla propaganda sovversiva che in questo modo può agevolmente compiere velle dette di classe e cercare di portare il paese ad un governo comunista che in altre condizioni non potrebbe mai trovare possibilità di vita in un paese così povero e già sfruttato fino all'ultimo attimo da una popolazione eccessiva.

Per questa ragione non si riesce a potere trovare uomini capaci di governo e si lascia il paese a sé senza guida e senza programma in un momento tanto difficile, senza che la classe dirigente possa avere il modo di reagire allo sfacelo, dato che ogni parola da essa lanciata costituisce un'accusa che in questo momento di arbitrio di popolo, trova la risposta immediata nella perdita della vita o della libertà.

- b) La classe lavoratrice dell'Italia del Nord, montata da un anno e mezzo di studiata propaganda nazi-fascista a scopo di vendette sull'Italia che aveva ripudiato, il fascismo, ha adottato ora i metodi di violenza nazi-fascista aumentati all'ennesima potenza, e crede fermamente di poter distruggere la proprietà e la classe dirigente, prendendosi di essa stessa la gestione di tutto quanto esiste e ripartendosi gli utili che, nella sua ignoranza, crede derivano automaticamente da ogni impresa, anche se mal piantata e peggio diretta, e naturalmente guader-

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gnando molto e lavorando poco e male.

In questo momento nessuno lavora, seguendo l'abitudine presa nel periodo della Repubblica nazi-fascista dove tale sistema era stato adottato e dopo d'istruzione contro il governo. Si dà ora la colpa alla mancanza di materie prime, cosa per molte industrie assolutamente inesatta, mentre la verità è che l'operaio, non più costretto dal datore di lavoro né dai massimi dirigenti che sono stati allontanati, preferisce essere pagato e nutrito dalle mense obbligatorie senza lavorare e senza costrizione di orari (I comitati di liberazione aziendali, che sono poi veri soviet, hanno abolito guardie e controlli dicendo che l'operaio deve essere lasciato alla sua coscienza per il proprio lavoro).

Potrebbe anche darsi che questo stato di cose sia segretamente diretto dal Partito Comunista, che è sceso da Mosca con 1200 dirigenti italiani colà istruiti, per portare al crollo completo dell'economia capitalistica che, una volta rovinata, esso non troverebbe più sul proprio cammino nemmeno in avvenire. X

#### Possibile soluzione provvisoria

Mentre tutto il mondo anela alla ricostruzione e l'Italia nella sua migliore parte agricola e industriale ha i propri mezzi di produzione intergri, sembra cosa impensabile che gli alleati non cerchino di sfruttare momentaneamente queste condizioni per la difficilissima ricostruzione della pace europea.

A nostro avviso un intervento diretto dell'America nel ristabilire temporaneamente e legalmente la produzione agricola-industriale del paese potrebbe essere cosa vantaggiosa per tutti e applaudita da almeno il 70% della popolazione italiana che si vede sopraffatta da una minoranza irragionevole.

Per raggiungere questo scopo l'intervento dell'America dovrebbe presupporre l'applicazione più assoluta delle leggi sul lavoro come esistenti negli S.U.A. riconoscendo nel modo più fermo il diritto della proprietà e la libera contrattazione della mano d'opera, abolendo i vincoli artificiali oggi esistenti che non permettono licenziamenti e stabiliscono oneri fissi per i lavoratori senza tenere calcolo della effettiva efficienza di produzione.

E soprattutto la legalità dovrebbe essere salvaguardata con l'applicazione dell'ordine che assicuri energicamente il diritto alle libertà di ogni



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cittadino e non solo di certe classi.

Questo sarebbe il primo passo per portare l'Italia in uno stato di legale  
produttività, e immetterla nelle forze del mondo operanti per la Pace. Es-  
sa potrebbe così concorrere subito - se aiutata dagli alleati con l'ap-  
pro-  
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to delle materie prime più essenziali - alla lotta per il rifacimento delle distruzioni di guerra, e per il reintegro morale della psicologia dell'ordine e del lavoro, in cui una somma di 45 milioni di lire potrebbe portare un notevole contributo al rifacimento essenziale dallo spirito morale dell'Europa.

#### Programma possibile futuro dell'economia italiana

partendo dal presupposto che in un avvenire prossimo - vale a dire per il primo periodo di carestia post-bellica e di frenetica richiesta - il mondo dovrà organizzarsi per quanto più possibile, su basi di liberi scambi, soprattutto l'Italia, per le sue speciali caratteristiche, avrà tutto l'interesse a volere un sistema di regime doganale a base limitata, che solo può portarla a un abbassamento del costo della vita.

#### Agricoltura

Per portare l'agricoltura a una vita sicura e prospera occorrerà allora procedere gradualmente all'abolizione dei vincoli che oggi esistono sui contratti di occupazione dei terreni e impiego delle mano d'opera, lasciando i conduttori liberi per la destinazione delle terre a nuove colture, proteggendo efficacemente la proprietà nella programmazione e attuazione delle nuove iniziative che dovranno:

- a) eliminare gradualmente le colture antieconomiche liberando terreni ora pochissimo redditizi e così coltivati seguendo la nefasta politica dell'anarchia. Se esisterà la libertà suaccennata, questo verrà attuato spontaneamente dai conduttori che dal confronto dei prezzi di mercato internazionali fugiranno i prodotti antieconomici attuando gradualmente i cambiamenti necessari;
- b) favorire le nuove colture adatte al nostro paese e ai diversi terreni con propaganda ben fatta a mezzo di giornali locali e radio-stazioni locali che trattino argomenti agricoli, con cattedre ambulanti e altri organi tecnici-agricoli che dispongano di consigli e di semi adatti;
- c) favorire con facilitazioni, piccoli prestiti o mutui i proprietari solvibili, o cooperative nel caso di piccole proprietà, per la preparazione più adeguata e efficiente dei prodotti agricoli. Prendere ad

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- c) favorire con facilitazioni, piccoli prestiti o mutui i proprietari solvibili, o cooperative nel caso di piccola proprietà, per la preparazione più adeguata e efficiente dei prodotti agricoli. Prenderà ad esempio le magnifiche iniziative esistenti già in Italia come Cirio, Arrigoni, Polenghi Lombardo, Cantine sperimentali di Verenza ecc. per creare dell'agricoltura italiana una organizzazione di produzione e esportazione di prodotti pregiati, come può adattarsi alla nostra terra, ricca di primizie, frutta e verdure speciali, latticini, vini pregiati ecc. e povera per il suo suolo e clima di prodotti di quantità.

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5)

Prendere l'esempio della Danimarca e dal Portogallo che dei loro prodotti tipici hanno fatto la specialità di tutto il loro paese e la ricchezza della loro esportazione.

9)

Aiutare con tutti i mezzi la tecnica della presentazione dei prodotti e dell'esportazione degli stessi, creando presso i Consolati uffici appositi bene orientati (specie con personale specializzato locale) che possano dare utili indicazioni sulle richieste dei mercati, sugli imballi necessari e graditi, sui prezzi ottenibili da prodotti possibili per noi.

Il mutamento del tipo di coltura mentre utilizzerebbe al loro meglio terreni ora molto scarsamente redditizi e sempre soggetti per le grandi colture all'andamento meteorologico della stagione, porterebbe ad un'occupazione di mano d'opera superiore all'attuale perchè basata su prodotti di più alto costo e che devono essere più sorvegliati, ad un ulteriore impleggo di mano d'opera per la lavorazione, preparazione, imballo e spedizione, e ad una forte disponibilità di valuta per l'acquisto dei prodotti di massa base dell'alimentazione del paese e non più coltivati che nelle località dove la terra, il clima o i sistemi di irrigazione permettono la coltura del secondo raccolto che in tal caso rende possibile anche la semina di prodotti più poveri.

### Industria

L'abolizione, o la riduzione a regime solo fiscale, della dogana di importazione, avrebbe per conseguenza sicura, una volta sistemate le due condizioni base d'assente dei mercati: cessazione delle domande spasmodiche per la ricostruzione e stabilizzazione dei cambi, una riduzione notevole di molte attività industriali italiane, finora solo sostenute dall'autarchia e dalle dogane protettive e una corrispondente importazione dei prodotti di massa fabbricati più economicamente all'estero. Forse più di una metà del complesso industriale oggi esistente, specialmente nel campo dello grande industria, dovrebbe cessare la sua attività, mentre un certo sviluppo si vedrebbe nel campo della media e piccole industria e di industrie tipiche o artigiane dove la qualità di iniziativa e di capacità degli elementi finora addetti alla grande industria potrebbero portare un notevole apporto d'attività e relativa espansione.

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Sistemata la posizione degli scambi internazionali, potrebbero anche

ture all'andamento meteorologico della stagione, porterebbe ad un'occupazione di mano d'opera superiore all'attuale perché basata su prodotti di più alto costo e che devono essere più sorvegliati, ad un ulteriore impiego di mano d'opera per la lavorazione, preparazione, imballaggio e spedizione, e ad una forte disponibilità di valuta per l'acquisto dei prodotti di massa base dell'alimentazione del paese e non più coltivati che nelle località dove la terra, il clima o i sistemi di irrigazione permettono la coltura del secondo raccolto che in tal caso rende possibile anche la semina di prodotti più poveri.

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Sistemata la posizione degli scambi internazionali, potrebbero anche trovare notevole incremento certe industrie di parti che potrebbero essere utilizzate all'estero se convenienti, industrie che fino ad ora hanno ben poco potuto per prova di sé nel ristretto mercato in cui non ho dovuto operare con i forti costi portati dal regime autarchico.

La diminuzione di un determinato tipo di industrie antieconomiche sarebbe molto facilitata dal fatto che per molti e molti anni l'industria edilizia dovrà lavorare in pieno, e senza possibilità di concorrenza estera, assorbendo forti masse di lavoratori.

### Commercio

Il commercio non dovrebbe subire molte variazioni da quanto è attualmente, dato che organizzazioni create per gli scambi di prodotti nostri possono trasformarsi o lasciare il posto a quelle per scambi di prodotti importati. Al più dovrebbe registrarsi un incremento nel numero degli addetti, dato dal fatto delle concorrenze ripartite su un maggior numero di produttori e del maggior lavoro dovuto al commercio internazionale in confronto di quello nazionale.

### Disoccupazione

Dati i presupposti di cui sopra, l'unico settore in cui dovrebbe prodursi una certa disoccupazione è il settore industriale.

Prendendo le statistiche dell'ultimo censimento del 21.4.1936, anno in cui si registrava una disoccupazione quasi nulla, vediamo che gli addetti all'industria in tutte l'Italinerane 5.500.000 (compresa l'industria edilizia). Partendo dalle illusioni di cui sopra ammettiamo anche che 2.000.000 di questi potrebbero perdere il loro posto di lavoro.

Considerando però la trasformazione dell'agricoltura con la necessità di una maggiore mano d'opera, su circa 2.000.000 di addetti ad essa nello stesso periodo, un aumento solo del 5% circa occuperebbe 500.000 di tali disoccupati, che probabilmente già provenivano dalla terra dato l'assorbimento fatto dall'industria negli ultimi anni. Un aumento del commercio del 10% per le ragioni dette più sopra occuperebbe (su 1.500.000 di addetti) altri 150.000 persone, mentre i 550.000 addetti alla economia domestica potrebbero facilmente aumentare almeno altri 150.000, data l'impossibilità degli ultimi anni di trovare aiuti domestici per il rastrellamento compiuto dalle industrie.

Una certa quantità, forse 500.000 persone, di ex addetti all'industria, potrebbero essere assorbite dai maggiori bisogni dell'edilizia, dalla nuova industria di lavorazione dei prodotti agricoli e delle industrie tipo artigiano o tipiche italiane, dimodochè i veri disoccupati potrebbero ridursi a 7/800.000 individui assolutamente senza capacità di specializzazione, che si dovrebbero avviare alla emigrazione (se pur bene regolata e assistita) verso terre lontane, riprendo al bilancio Italia no quella necessarissima voce delle rimesse dall'estero che è servita

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Considerando però la trasformazione dell'agricoltura con la necessità di una maggiore mano d'opera, su circa 9.000.000 di addetti ad essa nello stesso periodo, un aumento solo del 5% circa occuperebbe 900.000 di tali disoccupati, che probabilmente già provenivano dalla terra dato l'assorbimento fatto dall'industria negli ultimi anni. Un aumento del commercio del 10% per le regioni dette più sopra occuperebbe (su 1.500.000 di addetti) altre 150.000 persone, mentre i 660.000 addetti alla economia domestica potrebbero facilmente aumentare almeno altri 150.000, data l'impossibilità degli ultimi anni di trovare aiuti domestici per il rastrellamento compiuto dalle industrie.

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7)

Finanza

Sarebbe imperdonabile errore e danno irreparabile per il paese se si addivesse ad un immediato risanamento del debito pubblico e della moneta, prima che le condizioni di ripresa della produzione e quindi del ritorno del normale cessito del lavoro e del conguaglio del costo della vita non abbiano operato naturalmente.

Se prendiamo ora le cifre del nostro debito pubblico e lo riportiamo alla moneta d'origine egli attuali cambi liberi di mercato, l'Italia oggi non ha più di 5 miliardi di debito interno, mentre è quasi totalmente libera da debiti esteri, quindi poco più di 100 lire base per abitante.

I cambi liberi attuali non corrispondono però con giustizia al costo della vita, e perciò occorrerebbe lasciare riassetto naturalmente i mercati con possibilità di scambi internazionali che congruerebbero rapidamente prezzi di produzione a prezzi di vendita equiparando i veri valori delle monete tra di loro.

Una tassazione feroce e demagogica per risanare sullo basi attuali il debito pubblico mentre il paese attraversa da tempo una grave crisi di produttività, porterebbe a guai d'ogni specie. Il debito pubblico è forzato per quasi la metà da circolante che, data le attuali condizioni, si è dimostrata necessario e non è affatto imbarante per le necessità della circolazione, è il momento psicologico del risparmio che sarebbe grave errore violentare.

Il rimanente è o può essere trasformato in debito consolidato che - mantenendo le circostanze può come sempre ridurre i suoi tassi d'interesse, portando ad una riduzione della spesa reale che è quella che conta per il bilancio, mentre il capitale non è che cifra fittizia.

Se invece si infierisse oggi sul capitale, in un momento di bisogno eccezionale di disponibilità dello stesso e per la ricostruzione delle distruzioni di guerra, e per gli immobilizzi per i mutamenti di direzione dell'economia che sono stati accennati, il paese verrebbe economicamente rovinato e il gettito delle tasse e imposte, che contano ben più per la loro continuità che non prelievamento di capitale una volta tanto, soffrirebbe di una forte decurtazione esiziale per il raggiungimento del pareggio delle spese e redditi, unica cosa a cui deve mirare una politica

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I cambi liberi attuali non corrispondono però con giustizia al costo della vita, e perciò occorrerebbe lasciare riassetto naturalmente i mercati con possibilità di scambi internazionali che consiglierebbe-ro rapidamente prezzi di produzione a prezzi di vendita equiparando i veri valori delle monete tra di loro.

Una tassazione feroce e demagogica per risanare sulle basi attuali il debito pubblico mentre il paese attraversa da tempo una grave crisi di produttività, porterebbe a guai d'ogni specie. Il debito pubblico è formato per quasi la metà da circolante che, data le attuali condizioni, si è dimostrato necessario e non è affatto esuberante per le necessità della circolazione; è il momento psicologico del risparmio che sarebbe grave errore violentare. ✕

Il rimanente è o può essere trasformato in debito oneroso che - mantenendo le circostanze può come sempre ridurre i suoi tassi d'interesse, portandolo ad una riduzione della spesa reale che è quella che conta per il bilancio, mentre il capitale non è che cifra fittizia.

Se invece si invertisse oggi sul capitale, in un momento di bisogno occasionale di disponibilità dello stesso e per la ricostruzione dello di strutture di guerra, e per gli immobilizzi per i mutamenti di direzione dell'economia che sono stati accennati, il paese verrebbe economicamente rovinato e il gettito delle tasse e imposte, che contano ben più per la loro continuità che non prelevamento di capitale una volta tanto, soffrirebbe di una forte decurtazione essenziale per il raggiungimento del pareggio delle spese e redditi, unica cosa a cui deve mirare una saggia amministrazione del tesoro.

Per raggiungere il quale pareggio occorrerebbe una riforma draconiana di tutta la nostra organizzazione fiscale, partendo innanzi tutto dal concetto che prima cosa essenziale è di giungere ad un sicuro accertamento dei redditi, per addiventare poi ad una rigorosa tassazione che solo dopo tale accertamento può diventare veramente feroce sui redditi

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che sorpassino certi limiti.

Sarebbe agevole arrivare a questo, se realmente lo si volesse con energia, riportandoci alla legislazione fiscale dei paesi democratici economicamente più progrediti, e cioè, lungi dal considerare i grandi profitti duttivi, e li controllano moralmente come espressione di capacità produttiva, e li controllano da vicino obbligandoli a sottrarsi, e prelevando poi su di essi quel gettito che non sarà mai possibile calcolare precisamente fintantoché, per la demagogica impostazione mentale, esso dovrà scomparire in riserve occulte o in altri modi equivalenti, che per di più impediscono il formarsi personale di grosse entrate che sole possono portare al sistema così produttivo per l'erario della tassazione progressiva del reddito.

L'attuazione del programma economico di cui sopra, che crediamo sia il solo che potrebbe rimettere l'Italia in grado di vivere con successo tra il complesso delle grandi nazioni indipendenti, avrebbe altresì pericolosamente un effetto anche più importante.

Il presente stato di turbolenza di masse di popolo è dovuto essenzialmente alla politica economica errata.

Prendete un manovale e obbligatelo a diventare operajo senza alcuna istruzione né istruzione tecnica, e crederete uno spostato che dallo sforzo immane che deve fare, per produrre un pessimo lavoro che gli riesce difficilissimo, trae la persuasione d'aver diritto a compensi sproporzionati alla sua opera, e deriva ragione d'invidia per il suo compagno o superiore che fa lavori ben più delicati e redditizi pur non esternando uno sforzo simile al suo per riuscire. Si ferma così in lui un invidia che scredina vero le classi più qualificate che sbocca poi nella richiesta dell'eguaglianza sociale indiscriminata.

Prendete un contadino ignorante che non fa che seminare maleamente e raccogliere scarsamente con metodi primitivi, e pagategli il prodotto tre quattro volte di più di quanto esso vale nei paesi che esercitano l'agricoltura scientifica, ed esso crederà di non avere più alcun bisogno di capitali, di direzione né di aiuto tecnico, e reclamerà la terra per sé, senza realizzare che il suo lavoro, svolto senza protezioni artificiali, lo condurrebbe alla miseria e alla fame.

sono portare al sistema così produttivo per l'erario della tassazione progressiva dal reddito.

L'attuazione del programma economico di cui sopra, che crediamo sia il solo che potrebbe rimettere l'Italia in grado di vivere con successo tra il complesso delle grandi nazioni indipendenti, avrebbe altresì psicologicamente un effetto anche più importante.

Il presente stato di turbolenza di masse di popolo è dovuto essenzialmente alla politica economica errata.

Trasfate un annovale e obbligatelo a diventare operaio senza alcuna attività né istruzione tecnica, e creerate uno apostato che dallo sforzo insieme che deve fare, per produrre un pessimo lavoro che gli riesce difficilissimo, trae la persuasione d'avere diritto a compensi sproporzionati alla sua opera, e deriva ragione d'invidia per il suo compagno o superiore che fa lavori ben più delicati e redditizi pur non esternando uno sforzo simile al suo per riuscire. Si forma così in lui un invidioso acrodine verso le classi più qualificate che sbocca poi nella richiesta dell'eguaglianza sociale indiscriminata.

Tendete un contadino ignorante che non fa che seminare malamente e raccogliere scarsamente con metodi primitivi, e pagategli il prodotto tre quattro volte di più di quanto esso vale noi paesi che esercitano l'agricoltura scientifica, ed esso crederà di non avere più alcun bisogno di capitali, di direzione né di aiuto tecnico, e reclamerà la terra per sé, senza realizzare che il suo lavoro, svolto senza protezioni artificiali, lo condurrebbe alla miseria e alla fame.

Questo l'elemento psicologico che ha portato le masse di lavoratori più ignoranti e meno qualificati ad uno stato di agitazione rivoluzionaria, mentre ben diversamente ragionano e agirebbero (senza la loro ipotesi) i bravi e intelligenti lavoratori che formano della loro opera lo studio continuo al miglioramento per il raggiungimento col lavoro del benessere loro e delle loro famiglie.

Eliminate le attività economiche fittizie e rimessi i lavoratori incapaci

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ci nelle giuste mansioni a cui la loro capacità li assegna, potranno cer-  
to vedere la nazione calarsi dall'attuale turbolenza e ciascuno cercare  
solo nella propria efficienza il posto nella vita senza idee di sopraffa-  
zioni e spoliamenti.

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