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ACC

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SURRENDER DOC
SEPT. 1943 - FEB.

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SURRENDER DOCUMENTS & MONTHLY CONFERENCE
SEPT. 1943 - FEB. 1945; NOV. 1945

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Confidential

HEADQUARTERS ALLIED CONTROL COMMISSION
APO 394

MONTHLY CONFERENCE 3 MARCH 1944

The Conference was opened by the Chief Commissioner, Lieutenant General Sir Noel Mason MacFarlane at 1100 hours. General MacFarlane summarized the present situation as follows:

1. Move of the Italian Government to the Salerno Area has been completed.

2. The organization of the Allied Control Commission has reached finality.

3. The regions have been altered recently. Salerno Province has been returned to Region 3, and Region 4 now has a sub-region which will deal with Rome working under AMG 5th Army when Rome is reached and so long as Rome comes within 5th Army Area.

4. There has been a reorganization in the Sub-Commissions. The independent Sub-Commissions now are:

a. Telecommunications
b. Army
c. Navy
d. Air
e. War Material Disposal

Allied prisoners of war are now dealt with directly by ACMF.

5. The Public Relations Branch will now be centralized at Main Headquarters, and PROs will go out into the regions only as required.

6. Close contact has been established between ACC PWB and ACMF.

7. The loss of personnel, officer and enlisted, has been a severe blow, which must be faced. There is a ceiling to the allowable personnel and it is final. It is up to ACC to shift the burden to the Italians as rapidly as they can assume it efficiently in order to place Allied personnel where they can be most useful.

8. Typhus control was taken over by ACC from the Typhus Commission as from 20 February.

9. The Italian Government is now a government of ministers, rather than a government of secretaries.

10. General Gazzera will deal with ACC in regard to PW. The Comando Supremo under General Messe would not deal with the service Sub-Commissions, but only with matters on a high level with the Chief Commissioner. All military matters at a lower level will be handled by Brigadier Duchesne at Lecce with General Orlando, Minister of War, and General Berardi, Chief of Staff.

(G.O.C-in-C, General Sir Harold Alexander, arrived at conference at 1113.)

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11. The fusion of ACC and AMG has opened possibilities which are not fully realized by many, especially in the field, and there is a noticeable tendency not to make use of these advantages. It is important that there be a coherent chain of policy from the time AMG first takes over at the time of occupation to the time when ACC follows in its advisory capacity. As and when the Italian Government takes over, there must be an immediate reduction of Allied personnel who will move to new regions.

12. The question of promotions for American officers is being given all the attention possible.

13. Our main job is to get the maximum in war effort from Italy. AMG penetrates new ground, after which the Italian machine must be made to function under our supervision, and as soon as possible the Italians must run the job themselves with the minimum supervision.

14. The problem of defascistization continually looms up, and there are still

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many people in official positions who have Fascist records. This has been necessary for the smooth running of the country. It is desired to replace these individuals as soon as possible, and for this purpose an understudy is necessary who can be trained to take over the position.

15. The food and refugee problems are still important. A large influx of refugees from the Balkans contributed greatly to this. The Red Cross has given admirable assistance. The Chief Commissioner has asked for more Red Cross personnel to work with refugees.

The only real answer to the "black market" situation, which is common to all countries, is to procure adequate supplies.

16. Executive control has been established through the Executive Commissioner and his section. The Chief Commissioner pointed out that the Sub-Commissions may and should deal with their own representatives in regions and provinces, but their instructions should go through the Regional Commissioners.

17. Political situation.

The policy of the Allied Governments was for the ACC to collaborate with whatever government is in power in order to get the best war effort out of the country. Anything which may impede the war effort must be stopped. At present there is a strong opposition which has no constitutional method of articulation. ACC is keeping in close contact with this opposition giving it every opportunity to present its case to the Allied Governments, who are kept fully informed of the political situation.

The problems at present in the political field can be summed up as follows: (1) there is an intense feeling against the King; (2) the arrival in Rome is not on schedule, and (3) it is unfortunate that the opposition parties were able to organize the proposed ten minute stoppage of work. It is thought this latter problem will be settled amicably.

Political tension and excitement of any sort which would interfere with the smooth running of the government and the war effort should be avoided.

I. REPORTS BY REGIONAL CONTROL AND MILITARY GOVERNMENT SECTION.

A. Regional Commissioner, Region I, Sicily, Lt. Col. A. N. Hancock.

1. Good will has been maintained in the Region. A civil upheaval was threatened by government officials at the time of the changeover, because of objection to the Badoglio Government. These officials were advised to remain in office at least until Rome is reached. These recommendations were accepted as orders.

2. Trouble threatened by electric workers was ironed out without difficulty by ACC. Managers are asking for increase in rates.

3. One serious situation arose when coal was removed from the South side of the Island for operational purposes, leaving trains without fuel.

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2. Trouble threatened by electric workers was ironed out without difficulty by ACC. Managers are asking for increase in rates.

3. One serious situation arose when coal was removed from the South side of the Island for operational purposes, leaving trains without fuel.

4. Satisfactory relations exist with Army and Navy.

5. There was an unexpected arrival of refugees, but they were taken care of by Italians.

B. Regional Commissioner, Region II (Southern Italy), Lt. Col. C. H. McCaffrey.

1. There was no friction or disorder at the time of changeover.

2. The food situation has improved.

3. Crime is down 25% from normal.

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4. Courts in Apulia are unsatisfactory. There have been very few prosecutions against people committing crimes against the Allies.

5. Road haulage is a difficult problem because of lack of trucks and the fact that 190th GT Coy was handed over with 60 unserviceable trucks. An attempt is being made to get Italians to shoulder more of the responsibility for this transportation.

6. The power situation is not satisfactory.

7. Reduction in personnel has created difficulties.

8. Obstacles have been encountered in moving Headquarters from Matera to Bari. Assistance will be needed from higher authority in order to get suitable accommodations and assistance.

C. Regional Commissioner, Region VI (Sardinia), Brigadier R. K. Turner.

1. This region never passed through the AMG stage.

2. The population of Sardinia is just over a million. It is wholely an agricultural and pastoral community. The villages are crowded with Italian soldiers. It is a very malarious region. We must get the Italian soldiers away from the Island before malaria season, or move them to the hills in bivouac if necessary.

3. The political situation is satisfactory.

4. The food situation is now well in hand. A shortage exists of olive oil and sugar. The American Army assumed the feeding of Italian Army on 20 February. Good crops appear to be in prospect.

5. There is much salt and cork ready for export and a little has already been shipped. Island trade with Sicily has been hampered by the Navy's taking over schooners.

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6. Prices of consumer goods are going up.

7. There is no refugee problem at present. When there is, it will be principally a shipping problem.

8. Mr. Grady added the comment on Sardinia that fishing and canning will soon get underway.

D. Regional Commissioner, Region III (Campania), Lt. Col. C. Poletti.

1. The transfer of Salerno Province to this region may cause difficulty in administration.

2. Benevento and Avellino have been visited. Much progress has been made and conditions on the whole in the region are good.

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Bari. Assistance will be needed from higher authority in order to get suitable accommodations and assistance.

C. Regional Commissioner, Region IV (Sardinia), Brigadier F. H. Dunlop.

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2. The population of Sardinia is just over a million. It is wholely an agricultural and pastoral community. The villages are crowded with Italian soldiers. It is a very malarious region. We must get the Italian soldiers away from the Island before malaria season, or move them to the hills in bivouac if necessary.

3. The political situation is satisfactory.

4. The food situation is now well in hand. A shortage exists of olive oil and sugar. The American Army assumed the feeding of Italian Army on 26 February. Good crops appear to be in prospect.

5. There is much salt and cork ready for export and a little has already been shipped. Island trade with Sicily has been hampered by the Navy's taking over schooners.

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1. The transfer of Salerno Province to this region may cause difficulty in administration.

2. Benevento and Avellino have been visited. Much progress has been made and conditions on the whole in the region are good.

3. Public order in Naples is not very good. The crime rate is high. Some of the Carabinieri scheduled for Rome have been put on duty in Naples to help in dealing with this problem.

4. A squad of 100 trained men is dealing with the black market problem.

5. A public utility strike threat for higher wages and more food was quelled successfully.

6. On the political side there is the opposition to the King and a similar feeling toward the Badoglio Government. There is a feeling that the Fascists are not being cleaned out fast enough.

7. A primary difficulty in connection with the food problem is that there are too many restrictions on free movement of commerce, which curbs individual ini-

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tintive. It is desired to relax these restrictions if possible.

People are desirous of having a pasta ration in addition to bread. If necessary it would even be satisfactory to reduce the bread ration if a 42 gram pasta ration could be added.

The special rations which have been given by the services to certain groups doing hard labor have brought complaints from other groups. This will have to be ironed out.

8. Regarding crops, the people are asking which products are going to be amassed under the "Ammasso System."

9. A special division has been formed for transport. It is planned to begin garbage hauling and cleaning up the debris in Naples.

10. The courts are clogged at present, both Army and Itelian.

11. People are asking for a revision of pensions. (General MacFarlane advised that this was being handled by the Finance Sub-Commission.)

12. Relations with PBS have improved.

13. The prostitute situation is being cleared up. Medical treatment is being administered. Prosecutions are being sought. More stringent legislation is recommended to curb this menace.

E. Regional Commissioner, Region V (Foggia and Campobasso), Colonel F. E. Whitley.

1. Headquarters were opened in Campobasso on 15 February.

2. The Region Headquarters is extremely short of personnel, having only 4 clerks. Request the return of personnel which are out on loan to Colonel Kirkwood.

3. The political situation is very good. It is desired to remedy the Bari radio situation, as there have been numerous criticisms by the Italians of the promises made over this station.

4. Supply situation is generally good. The lack of transportation is the principal difficulty. Supply for only one or two days can be amassed in an area, but no commune has been isolated for more than one day in spite of difficulties. The main roads are all open. In this, the Italians are doing a good piece of work.

5. The health situation is good, except in Foggia. There is not enough health personnel and no medical officer assigned. The sewage system in Foggia is very bad. Lack of transport and labor difficulty hindered the getting rid of sewage. This latter item has been overcome. The venereal rate is up. No typhus has been reported.

6. This is principally an agricultural area and planting is progressing.

7. Public safety is generally good; crime consists mostly of minor

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7. Public safety is generally good; crime consists mostly of minor offenses.

8. Education has not been taken up so far.

9. There have been no developments in property control.

10. Legal matters are satisfactory.

11. The greatest problem is black market dealings. A roving patrol is clamping down on this matter. CAOs of other regions have been giving authority to enter Foggia to buy supplies, which has added to the problem in the region.

12. The fuel situation is not serious; there is enough wood for cooking.

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13. The salt situation is now satisfactory, but during the Fall when meat is cured, this will become a problem.

14. General MacFarlane asked when the Regional Commissioner would advise handing over this territory and Region III to the Italians. The Regional Commissioner believed it would be better to keep the region as a military area due to Air Force requirements until all of Italy is liberated.

Colonel Poletti, Region III, stated that he thought it inadvisable to transfer his region at the present time. He believed that handing back the rest of Campania should be deferred until Rome is reached.

F. Eighth Army AMG, Gp. Capt. C. E. Benson.

1. The problem of feeding the Southern part of Campobasso Area could be handled better from the Naples Area.

2. Refugees are a real problem.

3. No typhus has been reported. One small outbreak of typhoid is now under control.

4. There is a question of charging for electric power.

5. Public safety. A close check must be maintained on movements of civilians. Policemen are needed and it would be helpful if some could be borrowed from those reserved for Rome. It is desired that the movement of civilians into Campobasso be stopped.

6. There is no industry in this region, it is almost entirely agricultural. Such industry as there was is located too close to the battle area.

7. 10,000 to 12,000 civilians are working on road construction.

8. No repercussions were caused by the hand over of territory.

9. In regard to finance, banks are being opened up as quickly as possible, and as far forward as possible.

10. Legal and political situations are satisfactory.

The C.O.C-in-C, General Sir Harold Alexander, was introduced by the Chief Commissioner. General Alexander expressed his pleasure at being present at the conference and assured all of his great interest in the Commission's work. He extended his appreciation for the cooperation he had been receiving and the progress which has been made by the Commission.

The conference adjourned and reopened at 1430 hours.

G. Fifth Army AMG, Brigadier General E. E. Hume.

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G. Fifth Army AMG, Brigadier General E. E. Hume.

1. The chief problems are personnel and transportation. The organization has expanded, but personnel have been cut. French speaking officers are needed for liaison with the French Expeditionary Corps.

2. Transportation complicates the food problem.

3. Agriculture is progressing satisfactorily.

4. On the legal side, the principal difficulty lies in dealing with diverse types of troops.

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5. Military arrangements in regard to bridges get priority which sometimes cause civilians to suffer. The Engineers have been very cooperative in this matter.

6. With reference to transfer of territory, Region 3 overlaps the boundaries of the 5th Army, thus coming under the Army Commander as far as territory is concerned.

7. Rome. Carabinieri force already organized is to be taken along. It would be fine to have them work somewhere for the present, but they must not be dispersed, as there are no more to be recruited.

The Rome black market team is now getting training in Naples.

Transportation to Rome will be a big problem. There is none available at present.

H. Refugee Branch (Italians), Lt. Col. L. R. Hulls.

1. It has been endeavoured to keep people from becoming refugees by starting at the front and encouraging them and helping them to stay where they are if possible. When they must be evacuated South, it is done as rapidly and humanely as possible. Lack of transportation has made transit camps necessary. Feeding refugees in transit is difficult. Communications difficulties often prevent word getting through to the areas receiving shipments.

2. 50,000 people have been evacuated to date, 10,000 of these during February. The evacuation of 1,000 per day is necessary in order to keep battle zones and forward lines of communication clear. It will be necessary to absorb still larger numbers in the future. It is best to keep them on the Mainland in order to minimize the shipping problem. The Italians are helping by providing military personnel to run camps.

3. The problem of dispersion is important. Improvement is necessary. Households should be obliged to take refugees. They cannot continue to be thrown together in bunches to look after themselves to the degree in which they have been in the past.

4. General MacFarlane inquired as to the assistance given by the Red Cross. Colonel Hulls replied that they have been giving good cooperation.

I. Displaced Persons Sub-Commission, Colonel Kirkwood.

1. The biggest problem is Yugoslav refugees which were not originally taken into the plans.

2. This job is a continuous one requiring much personnel. The constant changing of personnel has been a great hindrance.

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2. This job is a continuous one requiring much personnel. The constant changing of personnel has been a great hindrance.

3. There are 9 camps and 2 hospitals at present. 15,000 have been received plus 1000 more on 3 March. 11,000 displaced persons have been shipped. Small groups are continually appearing all over Italy. At present no difficulty is being experienced in caring for these.

4. Only two cases of typhus have been encountered and these were not in ACC camps. Many people are ill. They all require instruction in sanitation and disinfestation.

5. Request is made that CAOs be instructed not to give passes to internees. Passes will be given by camp commandants.

6. People who wish to go out into the community to live must have permission from the Provincial Commissioner, as well as the camp commandant.

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7. The matter of food payments must be settled with Regional Commissioner.

8. General MacFarlane asked Colonels Kirkwood and Hulls whether the Yugoslavs and other refugees were doing their own cooking and looking after their own sanitary problems. The reply was that they were not doing much for themselves.

The question was brought up regarding recruiting of Displaced Persons. General MacFarlane stated that Yugoslavs were not to be recruited from the Italian Army.

J. Executive Commissioner, Brigadier M. S. Lush.

1. The heads of Sub-Commissions are to keep the Regional Commissioners well informed.

2. With reference to personnel, by the end of March we shall have a stationary ceiling of 1222 officers, 611 each British and American.

It is desired that an effort be made to get more men into the field and less at Headquarters.

The Security Branch is now taking over much of the work done by field security officers.

3. Brigadier Lush suggested that "Allied Control Commission" be the name for all of ACC/AMG activities. General MacFarlane said that he would give this matter consideration.

II. REPORTS BY ADMINISTRATIVE SECTION.

A. Interior Sub-Commission, Lt. Col. R. G. B. Spicer.

1. There have been conferences with the Minister of Interior and his staff. Liaison is good. There is an objectionable tendency on the part of the Ministry to remove Prefects and officials appointed by AMG, generally because the Minister feels that the appointees are too junior in rank.

2. A survey of Apulia in regard to local government and officials has been made.

3. Local government has flourished in Region 1. It is desired to establish more uniformity throughout the Regions.

B. Public Safety Sub-Commission, Colonel P. C. Kirk.

1. Public safety must now be conducted on a decentralized basis due to lack of personnel and communications.

2. Visits have been made and will continue to be made to the field.

3. There is a need for more police.

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2. Visits have been made and will continue to be made to the field.

3. There is a need for more police.

4. Clothing and equipment have been handled through military channels.

5. Licensing and registration of motor vehicles is being dealt with in Regions I to V.

6. General MacFarlane asked whether it would be better to have the Public Safety work more centralized. The answer to this query was "Yes and No." Some of the activities could be better directed centrally, some could not. A short discussion followed regarding the centralization of control.

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C. Public Health Sub-Commission, Brigadier C. S. Parkinson.

1. Responsibility for typhus control was handed over to ACC by the Typhus Control Commission. There have been between 1400 and 1500 cases. At present there are 700 engaged in the control of the disease. The shortage of soap is a great handicap. If caustic soda could be imported it would be possible to manufacture soap here. A meeting of the Typhus Board brought up the question of relaxation of restrictions on troops. This will be reconsidered at next meeting during coming week.

2. Venereal disease. There is the problem of what to do with prostitutes. 450 are hospitalized at the present moment. Concentration camps have been suggested. A revision of laws and their exact enforcement are needed.

3. Malaria. This Sub-Commission is endeavouring to get an expert to advise on its control. There is a malaria control board. Malaria will be a greater problem this year due to drainage situation.

4. An effort is being made to standardize food in the hospitals.

5. Malnutrition is not apparent, but investigations are being made in schools in Naples and Salerno.

6. An attempt has been made to centralize welfare head in close touch with Labour Sub-Commission. The Red Cross has helped considerably. There is a shortage of personnel in the field, especially in welfare work.

D. Legal Sub-Commission, Colonel G. R. Upjohn.

1. Up to recently the chief work has been concerned with documents connected with the restoration of territory.

2. Italian Government has had some difficulty with Army authorities in some Regions. This Sub-Commission has been ironing out the loose ends to get the situation running more smoothly.

3. The Italian Government has been very cooperative. Decrees proposed by ACC have been made their laws.

4. A new Minister of Justice was appointed.

5. Regarding the state of Italian courts in Apulia, particularly in Taranto and Brindisi, Colonel Upjohn had asked that the procedure be expedited and heavier sentences imposed.

6. In reviewing a large number of cases it has been found that the records are not well kept.

7. There is an urgent need for legal officers in Naples to clear up congested courts.

8. Decrees issued in Apulia were applicable in restored territory. Decrees issued in future by Italian Government could be made applicable in occupied terri-

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3. Malaria. This Sub-Commission is endeavouring to get an expert to advise on its control. There is a malaria control board. Malaria will be a greater problem this year due to drainage situation.

4. An effort is being made to standardize food in the hospitals.

5. Malnutrition is not apparent, but investigations are being made in schools in Naples and Salerno.

6. An attempt has been made to centralize welfare head in close touch with Labour Sub-Commission. The Red Cross has helped considerably. There is a shortage of personnel in the field, especially in welfare work.

D. Legal Sub-Commission, Colonel C. R. Upjohn.

1. Up to recently the chief work has been concerned with documents connected with the restoration of territory.

2. Italian Government has had some difficulty with Army authorities in some Regions. This Sub-Commission has been ironing out the loose ends to get the situation running more smoothly.

3. The Italian Government has been very cooperative. Decrees proposed by ACC have been made their laws.

4. A new Minister of Justice was appointed.

5. Regarding the state of Italian courts in Apulia, particularly in Taranto and Brindisi, Colonel Upjohn had asked that the procedure be expedited and heavier sentences imposed.

6. In reviewing a large number of cases it has been found that the records are not well kept.

7. There is an urgent need for legal officers in Naples to clear up congested courts.

8. Decrees issued in Apulia were applicable in restored territory. Decrees issued in future by Italian Government could be made applicable in occupied territory if endorsed to that effect by the Chief Commissioner. The Chief Commissioner stated that ACMF was about to issue a directive defining rights of Allied Forces in restored territory.

E. Education Sub-Commission, Lt. Col. Smith.

1. Defascistization of University of Naples was being accomplished.

2. Text books are finally being received which are void of traces of Fascism.

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3. A Youth Commission is exploring to see what can be done for youth to fill the gap left by the abolition of the Fascist Youth Movement.

a. Serving of lunches to school children was under consideration.
b. General MacFarlane suggested a Boy Scout Movement, etc.

4. Many school buildings had been requisitioned and their release was required.

F. Property Control Sub-Commission, Lt. Col. C. R. Harris.

1. Region III has more Allied property than was expected.

2. The Commission now has a list of industrial concerns sequestrated by the Italian Government.

(A question was raised by Colonel Poletti regarding the taking over of German property in newly conquered territories. General MacFarlane advised that any such cases encountered should be immediately reported to higher Headquarters.)

G. Monuments and Fine Arts Sub-Commission, Major de Wald.

1. There had been recent changes in personnel.

2. A slight reorientation of policy is necessary.

a. There should be certain standard rules for protecting monuments and fine arts in Italy.
b. The importance of their protection should be brought closely to the attention of military personnel.

2156

(1) Up to now this has been done by printing of lists
(2) Lists are now being printed in small handbooks. These lists will indicate the monuments in Italy which are to be protected.

c. Italian people are interested in doing what they can along this line.
d. The Public Relations Section can help by giving information to troops.
e. Major de Wald suggested that the officer in charge of monuments and fine arts should be consulted before requisitioning any property which might be of historic or artistic value. Military necessity is recognized as paramount.

General MacFarlane asked if it were true that a black market has started in works of art. Major de Wald said that he had no information.

H. Vice President of Administrative Section, The Rt. Hon. The Viscount Stans- commented briefly on the functioning of his Section. He stated that it was

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H. Vice President of Administrative Section, The Rt. Hon. The Viscount Stansgate, commented briefly on the functioning of his Section. He stated that it was necessary to examine the broad outline of the Italian machine; once this was grasped, then the details would fit in easier. To get this picture, day to day information of what goes on in the regions was necessary. He stressed the value of the services being rendered to the Italian people and the corresponding importance in results which would be obtained from a happier people of a higher morale.

III. REPORTS BY ECONOMIC SECTION.

A. Industry and Commerce Sub-Commission, Colonel W. Evans.

1. Industries which could be reestablished to care for essential civilian needs and not hamper the war effort have been promoted. Chief among these is the clothing industry.

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2. It has been desired to start soap manufacturing, but caustic soda cannot be obtained. This has been on requisition since September. There is no surplus in the United Kingdom.

B. Labour Sub-Commission, Colonel J. R. Bain.

1. The only real labour difficulties have arisen from the amount of food available to the workers. We cooperate with the Food Sub-Commission to determine which workers shall be given the midday meal which was authorized by AFHQ. The difficulty has been to limit such distribution. Additional groups of workers have asked for consideration. There should be no discrimination in the distribution of food. The recent trouble over the question of issuing a midday meal to the public utilities workers of Naples has been settled so that a serious threatened strike was avoided.

2. The demonstration "token strike" staged for Saturday, March 4, political in nature, can probably be quelled without difficulty.

3. There has been excellent cooperation with the Italian Government and a number of decrees embodying the basic principles announced by AMG and ACC have been drafted by the Italian Ministry of Labour and submitted to the Labour Sub-Commission for approval. It is believed that these matters will become Italian law very shortly.

4. The question of an increase for Government pensioners, a matter which this Sub-Commission initiated last October, is now in the hands of the Finance Sub-Commission for final determination.

5. A number of important wage studies are now being made, of which the first, the hemp industry, has been completed.

6. The experiment initiated in Sicily involving a new form of registration for unemployment is continuing and will soon be completed. In essence, the new system builds up "live registers" and links up registration with the payment of unemployment benefits.

7. A number of trips have been made and conferences held with Italian officials connected with our Regional and Provincial Labour officers.

C. Agriculture Sub-Commission, Major W. A. Hartman.

1. More labour must be employed in the future.

2. Farmers have been confused with the Fascist policy in regard to agriculture. No uniformity or good policy had ever existed up to the present time.

3. Some difficulty and change of plans may be caused by a shortage of fertilizer.

4. Emphasis was placed on making the Italians more conscious of the necessity for forecast and planning.

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5. There is a problem of varying prices, which must become more uniform for the essential needs of the farmer.

6. It was stressed by Major Hartman that more than 50% of the physical resources and 50% of the labour in Italy are engaged in agriculture.

Forestry

7. All Italian personnel possible have been utilized in forestry, but it is difficult to find experienced Italians in this field.

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8. Timber is being harvested as near to where it is to be used as possible to conserve transportation, which is already a major problem.

9. The Italian Minister has been asked to get reports which will enable the planning of a timber program for the coming year. A survey of resources is being made.

Fisheries

10. This Sub-Commission is working closely with the Fisheries Section of the Ministry with a view to central control of fisheries.

D. Food Sub-Commission, Lt. Col. W. J. Legg.

1. The overall supply situation is better in the base areas. Twenty days supplies have been amassed in certain areas. There is no anxiety. The whole situation on the West Coast is favourable

2. There is a problem in connection with the handling and safeguarding of food supplies.

3. A uniform ration scale has been approved for hospital patients.

4. The present rationing system requires modification.

5. A shortage of olive oil exists.

6. Transportation is insufficient to meet requirements.

7. Under the new ration scale it will be possible to issue a ration of pasta and raise the total ration near to the requirements set by the Public Health Sub-Commission.

8. The following improvements can be noted since the 1st of February:

2185

a. Bread ration has been raised.
b. A sugar ration has been made available to Italy.
c. There is an overall distribution of dried vegetables.
d. It is hoped to make a distribution of cheese or meat and soap within the next month.

9. It is planned to issue new ration cards to remove the problem of fictitious ration cards.

E. Public Works & Mines Sub-Commission, Lt. Col. L. A. Jenny.

1. Military highways. We have relieved the armed forces as much as possible in taking over roads and bridges. We must get the Italians to do the job. Difficulties have been encountered in regard to paying civilian labor. This was

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0265

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E. Public Works & Mines Sub-Commission, Lt. Col. L. A. Jenny.

1. Military highways. We have relieved the armed forces as much as possible in taking over roads and bridges. We must get the Italians to do the job. Difficulties have been encountered in regard to paying civilian labor. This was taken up in conferences with the Finance Sub-Commission. 5th Army outlined a program for wages and also food menus for employees. In ACC's use of civilian labour no food is given. When groups are working side by side and being paid under two different categories, friction is bound to result. A uniform policy must be adopted.

2. Electricity rationing. We have had many conferences and the problem is well in hand. The armed forces agreed that it was their responsibility to see that the electricity was supplied but they have asked ACC for personnel to look after the matter. A decree must be issued to authorize rationing. The question was taken up with the Legal Sub-Commission. A decree is now ready to be presented to the Government. The armed forces must also reduce their requirements. Immediate results are not visible.

3. Utility rates. This is an involved problem and conditions are uncertain at the present time.

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F. Finance Sub-Commission, Colonel A. P. Grafftey-Smith.

1. Colonel Grafftey-Smith has had discussions with the Minister of Finance regarding the method of taking over Region 1 and 2.

2. Arrangements are being made for a repayment to AMFA in Sicily.

3. The revenue side is not bright. There is a general feeling that all the big tax payers have gone, and the tax-collectors are apathetic.

4. With regard to government finance, postal savings bonds will soon be on sale.

5. Banks are coming along well and bankers are cooperative.

6. Administrative Memorandum No. 95 was mentioned. The question was brought up as to whether Italian Army will pay certain agencies. A voucher system is being installed.

7. With reference to the accounting for supplies, the Finance Sub-Commission has consulted other Sub-Commissions interested. They are examining the desirability of setting up an Italian organization to work at the warehouses; the question is in regard to the Italians' capability. As for the policy to be followed in accounting for military supplies, the Finance Sub-Commission is trying to find out from AFHQ exactly what they need.

G. Internal Transportation Sub-Commission, Colonel S. A. Fitch.

1. Rail. Military authorities still have control. ACC should take over railways in Sicily as soon as possible. Movements on Mainland have been better. A bid for transportation is often made and then the interested party fails to get his goods to the railhead at the proper time. It is requested that this situation be remedied by Regional Commissioners.

2. Roads. Progress is not as rapid as desired. Transport which was handed over was not in operating condition. Also it is thought to be best to postpone for awhile the turning over of transportation to civilian agencies.

3. Schooner. A good movement of loads has been made. Registration of schooners has been an interference.

H. Shipping Sub-Commission, Mr. Ian Campbell.

1. With further reference to the registration of schooners, this is helping check up on the black market shipping.

2. Several deep sea ships have been put into operation. It is hoped to get another six into operation in the next few days.

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General MacFarlane asked whether this would help to get troops out of Sardinia. Mr. Campbell replied that broadly speaking it would.

I. Electric Power Mission, Colonel J. P. Growdon.

1. The demand is increasing for electric power; and the supply is definitely limited.

2. Plans for supplying power to Rome are underway.

3. The theft of wire has been a serious obstacle by hampering the work.

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J. Vice President of Economic Section, Hon. Mr. Henry Grady, concluded the reports from his Section. Mr. Grady remarked that since the small schooner matter is really for Internal Transportation Sub-Commission, the Shipping Sub-Commission at present is without a field.

A study has been made of the general question of inflation and the factors bringing it about. Mr. Grady stated that he was not satisfied with the manner in which currency valuation was worked out, and he wishes to present the matter to Combined Chiefs of Staff. The whole matter requires careful study.

Regarding prices, wages and rates - these matters should not be dealt with by the Sub-Commissions as far as taking action, however they may make recommendations.

A report is being compiled on the working of the Section which will show what has taken place.

IV. REPORTS BY INDEPENDENT SUB-COMMISSIONS.

A. Telecommunications Sub-Commission, Colonel J. L. Henderson.

1. Naples and other provinces are to be included in the internal and external postal services.

2. Foreign mail services are now established which puts liberated Italy in communication with many countries. There are PW services with Great Britain, China and Russia.

3. The Italian Government has telecommunications into Naples from Salerno.

4. There is the problem of two groups of employees working side by side, part paid by the Government and part by the military.

5. Communications to Palermo and Cagliari have improved. 2.84

B. War Material Disposal Sub-Commission, Colonel J. T. Zellars.

A survey of Italian war materials has been made and arrangements made to procure all materials which we can use.

C. Naval Sub-Commission, Commodore M. Palmer.

1. Figures are being compiled giving the strengths required for the actual jobs being done.

2. The question has been considered of the desertion of 5 Italian sailors

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2. The question has been considered of the desertion of 5 Italian sailors to the Yugoslav Navy.

D. Army Sub-Commission, Brigadier C. C. Duchesne.

1. Ceiling for Italian Army is now set at 500.000 men. We are within 3,000 of the limit. Rations for Italian Armed Forces are handled at the moment by the Allied Forces issuing to them through books of the ACC. This Sub-Commission has not touched nor attempted to touch the rationing in Sicily or Sardinia.

2. Clothing and boots are beginning to come in.

3. At present the Army Sub-Commission is handling program for ACMF.

4. There are three divisions on the Mainland, one of which is a combat division.

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5. The problem of shipping troops from Sardinia has been taken up.

6. The civilians employed by the Army have their pay based on administrative instructions.

E. Air Forces Sub-Commission, Air Commodore E. M. Foster.

1. The Italians have shown very fine cooperation.

2. An average of 700 sorties per month have been flown. It is hoped to get this up to 1,000 when the weather improves.

3. The Coastal Wing has done much useful work, especially in rescue missions. Bomber Transport Wing has been used for dropping personnel and supplies in the Balkans. There are a few aircraft for evacuating wounded. Work on the whole is satisfactory.

4. This Sub-Commission must rely entirely on wreckage and salvage as sources for spare and repair parts.

- -

The Conference adjourned at 1800 hours.

Robert E. Doe

ROBERT E. DOE
Major, A.G.D.
Secretary General

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1 - ea Reg. Com.
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0301

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0302

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SECRET

HEADQUARTERS ALLIED CONTROL COMMISSION

APO 394

:: SECRET ::
:: Auth: CC, ACC ::
:: Date: 3 June 1944 ::
:: Init: ::

SUPPLEMENT TO MINUTES OF MONTHLY CONFERENCE --- 30 MAY 1944

Army Sub-commission, Major General Langley Browning

1. The Army Sub-commission is an agency set up by direct order of the Combined Chiefs of Staff with the functions of re-organising and rehabilitating the Italian Army, and providing and accounting for supplies issued to the Italian Armed Forces (Navy, Army and Air) by the Allies.

2. Proposals have been put forward to C.C.S. by Gen. ALEXANDER, whereby the Italian Army will amount to a total strength of 341,170, sub-divided into:

Combat Div in the line	14,100
10 I.S. Divs, distributed over Italy, Sicily and Sardinia	101,200
Troops employed by the Allies (Labor Bns, Port Dets, etc.)	180,000
Central Italian Administration	45,870

3. A single ration scale for all Italian troops is to replace in due course the "basic" and "combat" scales.

4. An establishment for the A.S.C. has been put forward to permit a central directing headquarters, a liaison staff with major Italian formations, and an executive and liaison staff to supervise the issue and accounting for supplies to the Italian Armed Forces. This has not been approved and we are still 11 officers and over 100 men short, despite having a large number on loan.

5. The reorganization and rehabilitation of the Italian Army is a very complex matter due to numerous factors:

a. the best troops are either PW's, or north of the present line.
b. the standard of Italian efficiency is lower than normal.
c. a large percentage of the available Italian troops are in Sardinia and shipping is short.
d. the pre-war Italian Army was organized on an area basis, and therefore, many depots, data, and files are in German hands.
e. industry is mainly in the North, and this affects clothing, boots and equipment generally for the Italian Army.
f. communications are difficult, due to their comparative lack in this mountainous country, and priority of transportation for the Allies.
g. transition from an enemy to a co-belligerent status is unprecedented.
h. graft, corruption, and nepotism was rampant for many years with the Fascist regime.
i. the Italian conception of producing efficiency and raising morale is very far below and very different to Allied standards.

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...divide troops:

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0303

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2.63

6. We are tackling all this in three ways:

a. by exercising pressure on the Italian military authorities to put their own house in order and make the fullest use of their own resources,
b. by backing them up in every possible and legitimate way, and
c. by advising them of our views as to what they must do to make their Army "in fact effective", and thus worthy of the issue of supplies from Allied sources.

7. There is little contact and comradeship between officers and men. There is little thought of welfare, amenities, and good living conditions for the troops. There are many officers who are not suitable as leaders in a modern army. This is inevitable when promotion is by seniority, NOT merit; and when cadets for commission are chosen by influence, birth or financial status, without regard to ability, character and powers of leadership.

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8. Things are sorting out gradually; the Italians are cooperating according to their own lights, and there is an abundance of good-will among the Allies to solve all problems.

Comments by Chief Commissioner: General Browning was asked whether there were any signs of epuration. The reply was, "No." It was felt that some might be needed at the Military Academy among the cadets, who were under the Fascist regime.

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Naval Sub-commission, Commodore I. M. Palmer

1. Work of this Sub-commission has been carried on at Taranto during the past six weeks.

2. The Italian fleet has been carrying out patrolling, convoy, and troop-carrying duties. Submarines are employed on training duties.

3. 7000 men are employed at the Taranto dockyards. The Franco Tosi shipbuilding works employs about 3000 men. The lack of boots and clothing has caused a reduction of working parties by about 25%.

4. Since the 8th of September, 1943, the following Allied ships have been refitted with major repairs: 1 cruiser, 28 destroyers, and 110 minor craft. Refits to Italian ships have included 12 cruisers, 14 destroyers, 28 torpedo boats, 24 submarines, and others. The best record is the number of ships docked which total 449, consisting of 110 Allied warships, 72 Allied merchant ships, 228 Italian warships, 15 Italian merchant ships, and 24 Italian submarines.

5. Two 880 ton floating docks are at present being built in the Franco Tosi Shipyard, who also carry out a large amount of incidental repairs for the Allied Military, for railway engines, and the production in bulk of certain spare parts for landing craft.

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Air Sub-Commission, Air Vice Marshal W.A.B. Bowen-Buscarlet.

1. The Italian Air Force has continued to support the Allied war effort.

2. The Fighter Wing has been employed on offensive sweeps on the Dalmatian Coast. With the beginning of the land offensive in Italy the operational control of this unit passed from the Desert Air Force to the 242 Group. During April 215 operational sorties were carried out and up to the 26th of May 290. Results have been good, damage having been inflicted on rolling stock, M/T, barges, schooners, and small craft.

3. The Bomber Transport Wing during April flew a total of 150 sorties on supply-dropping missions in Yugoslavia and Albania. A net total of 145 tons of supplies were dropped. Bad weather conditions in the Balkans have hampered supply dropping this month. A severe blow was received on May 14 when 6 Comb [illegible]

0305

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3. 7000 men are employed at the Taranto dockyards. The Franco Tosi shipbuilding works employs about 3000 men. The lack of boots and clothing has caused a reduction of working parties by about 25%.

4. Since the 8th of September, 1943, the following Allied ships have been refitted with major repairs: 1 cruiser, 28 destroyers, and 110 minor craft. Refits to Italian ships have included 12 cruisers, 14 destroyers, 28 torpedo boats, 24 submarines, and others. The best record is the number of ships docked which total 449, consisting of 110 Allied warships, 72 Allied merchant ships, 220 Italian warships, 15 Italian merchant ships, and 24 Italian submarines.

5. Two 880 ton floating docks are at present being built in the Franco Tosi Shipyard, who also carry out a large amount of incidental repairs for the Allied Military, for railway engines, and the production in bulk of certain spare parts for landing craft.

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Air Sub-Commission, Air Vice Marshal W.A.B. Bowen-Buscarlet.

1. The Italian Air Force has continued to support the Allied war effort.

2. The Fighter Wing has been employed on offensive sweeps on the Dalmatian Coast. With the beginning of the Italian offensive in Italy the operational control of this unit passed from the Desert Air Force to the 242 Group. During April 215 operational sorties were carried out and up to the 26th of May 290. Results have been good, damage having been inflicted on rolling stock, M/T, barges, schooners, and small craft.

3. The Bomber Transport Wing during April flew a total of 150 sorties on supply-dropping missions in Yugoslavia and Albania. A net total of 149 tons of supplies were dropped. Bad weather conditions in the Balkans have hampered supply dropping this month. A severe blow was received on May 14 when 5 Cant 1007 aircraft were lost and two others severely damaged in a surprise attack by enemy aircraft. In spite of this the morale of the Cant crews is unshaken. Due to the difficulty in keeping the long-range fighters serviceable, it has been decided, for the present, to drop supplies at night. It is hoped to average six aircraft per night throughout the month, subject to weather conditions.

4. The Seaplane Wing continues to carry out very valuable work as part of the Mediterranean Area Coastal Air Forces. U-Boat hunts, convoy escort duties and air/sea rescue are their main duties. In addition there have been many sorties for courier services, anti-aircraft cooperation and parachute dropping exercises.

5. Future operations will be limited by our ability to maintain our rather elderly aircraft in serviceable condition. The Prime Minister has said that the Italian Air Force will be reinforced with British aircraft. It was thought that Allied aircraft was meant.

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6. The maintenance and equipment aspect of the I.A.F. shows a slight improvement, but there is still the "go slow" element in the Italian Air Ministry whose inefficiency and red-tape hamper the operational side. Requisitioning of Air Force property still goes on. Usually it is the British Army which does this.

7. The labor dispute at the Alfa-Romeo works has been settled. The Sanita Works at Benevento has staged a remarkable recovery, and will eventually be the main I.A.F. fighter repair base.

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Legal Sub-commission, Colonel G. R. Upjohn

1. Since the last meeting, 24 spy cases have been reviewed at Hq, ACC:

a. 12 spies were sentenced to death and conviction confirmed.
b. 6 were sentenced to death and conviction commuted.
c. 2 were sentenced to imprisonment.
d. 1 was sentenced to imprisonment, but sentence was quashed.
e. 3 were found not guilty.

2. Other cases in Naples have shown a decrease due to increased activity of Naples Courts, and arrangements have now been completed for transfer of all curfew, speeding, and prostitution cases to Italian Courts.

3. In Italian Government territory, the Chief Commissioner's policy remains the same - that only exceptional cases will be tried by AMG Courts.

4. There is a big accumulation of cases in Sardinia. The situation has improved substantially since 19 additional judges have been provided.

5. The situation in Bari is not very satisfactory. A special committee of representatives from the Legal Sub-commission and the Ministry of Justice is now at Bari to consider ways and means of improving the position.

6. The Court of Cessation has been set up at Salerno and will be ready to move to Rome on short notice.

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7. Relations with the new Minister of Justice and his staff are good. The Epuration Decree providing for the punishment of Fascists has been their greatest work this month. They have personnel ready for Rome, which it is hoped will be adequate in the early stages of occupation.

8. The Italian Military Courts are very short of personnel, but it is hoped that arrangements will soon be made for the repatriation of PW's to act as judges.

9. The revision of general orders dealing with labor relations and other economic matters is in hand.

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Robert E. Doe

ROBERT E. DOE
Major, A.G.D.
Secretary General

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HEADQUARTERS ALLIED CONTROL COMMISSION
APO 394

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::Auth: CC, ACC ::
::Date: 25 Aug 44 ::
::Init: ::
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SUPPLEMENT TO MINUTES OF CONFERENCE

Tuesday, 22 August 1944

Presiding: Captain Ellery W. Stone, USNR

Naval Sub-Commission, Rear Admiral C. E. Morgan

1. I understand at the last meeting one of the area commanders appeared with a sheaf of wheat. I am sorry I have not arrived with an Italian battleship, but I assure you that I have the Italian fleet in my pocket.

2. The Italian Navy have done an enormous amount to assist the Allied war effort. We have come to the end of 12 months of co-belligerency.

3. We have five battleships altogether. The three in Malta have had their locations changed. One is now at Syracuse used as a training ship, two are at Taranto--one for gunnery training problems and the other for a gunnery ship. There are eight cruisers altogether; two are out of action. Their principal duty is the transporting of men from Sardinia to Sicily and North Africa to Italy. During the last 12 months these six ships have lifted 130 bodies into Italy. We land motor transport parties and many other occupational groups. One cruiser has transported 30,000 men, steaming over 27,000 miles (1¼ times around the earth at the equator), in 9 months. There are eight destroyers and we generally have 5 or 6 available. They are doing a useful work. We have 40 torpedo boats and corvettes, about 25 of which are available. Their principal duties are convoy and escort work. There are 32 submarines; generally about 22 are available. Two are on special operations; the remainder on anti-submarine training. They provide targets and exercises for all Allied destroyers. There are [illegible] sub-marines. The small sub-marines are used for training and experimental work.

4. Operations in the Adriatic have been carried out by Italian MS boats, MAS boats and small torpedo boats. This included the landing of agents in enemy territory, landing reconnaissance parties, bringing back prisoners of war, etc. It is very dangerous work. We have carried out 151 (3 a week) such missions; out of this number 132 have been successful. The reasons for the failure of the other 19 had nothing to do with the determination or bravery or the drive of the Italian officers and men; rather the weather, pre-arranged signals, or incorrect signals were at fault.

5. The ration strength remains at 75,000. The overall strength is 79,000. That will not be increased. The Minister of Marine has no excuse for increasing it and does not wish it to be increased. The numbers are kept down by discharging reserves and time expired men, whose places are filled by younger men who come in as the line advances northward.

6. The fleet continues to be operated from Taranto.

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7. The food situation is good. There is less discontent since the introduction of the standard ration. The workers ration has been slightly increased.

8. The Naval Sub-Commission has moved to Rome. However my job in Taranto must come first.

9. a. There have been disturbances. The most serious was about mid-June. The excuse was that the Minister of Marine had not sworn allegiance to the King. One officer refused to obey orders and take his ship to sea. He was relieved of his command and put on half pay for six months. This man had a following. Two others were relieved of office and the disturbance died down.

b. There was a disturbance when the French fleet was in. On the second day

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two French were killed, others wounded on both sides. I saw the French Admiral and stopped the shore leaves of the French.

10. The Taranto dock yards in association with the Franco Tosi shipbuilding yards have the following record:

a. Ships repaired: 680 British, 220 Italian

b. Total dockings, Italian and British, during the year has been 565.

c. One ship docked on 11 July for repairs, and after a survey it was thought that it would take at least 40 days to complete the job. The Taranto dock yard completed the job in 30 days. The ship left Taranto on the 14th of August, fully stored and armed, six days ahead of the time when we thought it should have been repaired.

11. I am giving the men more sea time than they ever had before. I'm trying to keep the Navy busy. The Navy will be something solid for the new Italy to build upon.

Comments by Acting Chief Commissioner: Captain Stone reminded all correspondents that all references to numbers, places and operations of the Service Sub-Commissions were off the record and a military secret.

Army Sub-Commission, Major General L. Browning

1. WE/TO. Since the last meeting, our new W.E./T.O. has been authorized. This give us the "tools to do the job", which had been sadly lacking. We have, in consequence, now got a much firmer grip on the situation, particularly on the Supply side--rations, clothing, boots and medical supplies. We now have set in motion and control the largest old clothes and old boots business in the world (nearly 400,000 pairs of old boots, for instance.); and this will grow as repair materials are forthcoming, which these are already starting to do. We are also well-established in the grocery business, feeding all the Italian armed forces (nearly a half-million people) and holding a stock of 28,000,000 lbs. of flour.

2. CEILING.

a. The major factor in all our work is the ceiling figure for the Italian Army laid down by the Combined Chiefs of Staff. No "private Armies" are permitted beyond this ceiling and rations, etc., are supplied for only this number.

b. Headquarters A.A.I. proposed a ceiling of approximately 375,000 for the Army and 60,000 for the Carabinieri, who, though the senior regiment in the Army, have police functions as well. After much discussion, AFHQ have proposed to the C.C.S. a ceiling of 309,000 for the Army and 55,000 for the Carabinieri (a reduction of 18% for the Army as compared with only 8⅓% for the Carabinieri). The Army have borne the whole brunt of this reduction, the Italian Navy ceiling remaining at 75,000 and the Air Force at 31,000.

c. By centralization or elimination of various depots, transit camps and

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c. By centralization or elimination of various depots, transit camps and other installations, we have made certain economies. But the fact remains that we have not got anything like the number of Army troops we want and we must "cut our coat according to our cloth". I want to stress this because I feel that many people think the Italian Army is an inexhaustible reservoir into which they can dip for all manner of purposes, many of them non-military. It just cannot be done; and we have to scrutinize and use every single body to the best advantage; see there is no waste; and that he is doing an officially authorized job. No Italian officer or man is authorized unless he is officially authorized by AAI and it is part of my duty to see that unauthorized Italian soldiers are NOT "attached" all over the place.

3. NEW ITALIAN COMBAT FORCE.

a. We have an Italian Combat Force (C.I.F.) of some 20,000 actually fight-

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ing. Its size is limited by the ruling that it has to fight with the Italian equipment captured in Italy. No Allied quipment is authorized.

b. A request has been made to C.C.S. to authorize the issue from England of 3 British Divisions worth of equipment to the Italians. This raises big questions of organization and training. We have examined the question in detail and judge that we can form 6 Italian "Combat Groups" each about 9,000 strong with this equipment. For simplicity and speed in preparation of these Groups, the organization (and thus the tactics)will be on Italian lines. We will train instructors at British schools in the technical handling and maintenance of the weapons. This has already started. These instructors will then train their own people, with the aid of a British liaison and training team of officers of all Arms with each Combat Group-a very intriguing and interesting project, which will mean that, for the first time, Italy will have a uniform, standard fighting organization of about Divisional size! All this, of course, within the ceiling--the C.I.L. being reorganized as two of the Combat groups. I hope and believe that we will be able to convert these groups into a really good fighting force.

4. PATRIOTS

a. In conjunction with the Patriot Branch of ACC, we have produced a clear cut policy as regards patriots--a thorny problem.

b. We wish to encourage the patriots, who are doing valuable work in enemy occupied territory. On the other hand, we cannot countenance the existence, as formed fighting units, of patriot bands who are over-passed by us in our advance. We cannot keep within our lines "private armies" of patriots of diverse political color and aspirations. One thinks of the troubles of Yugoslavia and Greece in this connection. This has obviously a post-war as well as a present aspect, particularly as in the Earth numbers are said to be large.

c. The main point is that we must have only one official Italian Army whose size is fixed. That is our sheet-anchor. We must uphold its authority, both for now and post-war. We cannot absorb vast numbers of patriots into that Army--particularly in respect of fighting troops, as C.I.L. is only 20,000 strong. As we form the Combat Groups we can absorb more. For every patriot absorbed we have to demobilize a soldier in the Army--and if this turnover or absorption is great and rapid, the Army loses its adhesion and efficiency. Every patriot or ex-soldier we pick up is considered as a civilian (from the Army point of view) till he is actually enlisted again into the new official Army.

d. In view of all this, we have arranged (in conjunction with Patriot Branch ACC) to "screen" and absorb patriot volunteers for actual combat. The numbers who so volunteer come to only 1 in 10. The remainder do not come within the Army orbit until the normal conscriptive law is re-applied in their area.

5. VALUE OF ITALIAN ARMY

a. A final word on the value of the Italian Army to the Allied cause.

b. The patriots have "stolen the picture"--to use film parlance. They are

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5. VALUE OF ITALIAN ARMY

a. A final word on the value of the Italian Army to the Allied cause.

b. The patriots have "stolen the picture"--to use film parlance. They are "news". I think few people realize how well the Italian Army has done. They have, with our help, organized out of chaos, an Army of over 300,000 ab initio--with scratch staffs, ex-POW Generals brought from England, etc. The C.I.L. has fought well and had many casulaties. The Minister for War himself (Count Casati) has lost his only son, fighting with C.I.L. The service and labor portion has done an immense task in repairing communications, dock labor, etc., thus saving Allied manpower. They have cooperated loyally as co-belligerents, with practically no fuss or friction. I would like people to realize all this and the Italian Army to get its deserved and just need of praise both in the Press and in the minds of the Allies for its valuable assistance to the Allied cause.

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S E C R E T

Air Sub-Commission, Air Vice Marshal, W.A.B. Bowen-Buscarlet

1. The Italian Air Force continues to support the Allied Air Forces actively. The Fighter Wing has been carrying out fighter sweeps on the Dalmatian Coast and has a good record. The Bomber/Transport Wing continues to drop supplies on Yugoslavia and Albania. Owing to increased air opposition, the supply-dropping operations are now only taking place at night. The Seaplane Wing continues to work as part of the Mediterranean Coastal Air Force.

2. The Operational Control of the Italian Air Force has now passed out of the hands of the Air Forces Sub-Commission. The Fighter Wing and the Bomber Transport Wing are under the control of Balkan Air Force, and the Seaplane Wing is under the operational control of No. 242 Group, Royal Air Force. While this loss of operational control is regretted, there is no doubt that it is a sound move, as it ensures complete co-ordination of the effort of the Air Forces as a whole.

3. Since the last Conference the principal pre-occupation of the Air Forces Sub-Commission has been the re-equipment of three Italian Fighter Squadrons with Aircobra aircraft and two Light Bomber Squadrons with Baltimore aircraft. This problem has provided an almost continuous headache, for while the aircraft were readily available, (although in the case of the Aircobras their condition left a good deal to be desired) and the Italian pilots have taken readily to flying these, the arrangements for the provision of the necessary spares and equipment have worked exceedingly slowly and the whole of the training has, in consequence, been held up. Matters are now better, although not entirely satisfactory. One fighter Squadron is ready to go on operations except for its ground equipment, and one Baltimore Squadron will be ready very shortly; the others should follow at short intervals, but this is entirely dependent on the satisfactory supply of equipment. There are further problems which will have to be solved before these squadrons can be considered as being equal to Allied squadrons; one of these is that of transport. Allied squadrons achieve a high degree of mobility by virtue of a generous establishment of transport. The Italian squadrons are completely lacking in this, and if they are to be made mobile, transport will have to be found from Allied sources. There is also a considerable problem in connection with the factories which are to carry out the major overhaul of the Allied airframes and engines.

4. Under the new Government, General Piacentini has been appointed Air Minister and Chief of Staff of the Italian Air Force. When this appointment was agreed to by the Air Forces Sub-Commission it was understood then that the General should only devote a small portion of his time to his work as Air Minister. In actual fact this has not turned out to be the case, and the General has to devote far too much of his time to political matters and Cabinet meetings. He is however carrying out his duties in both respects to our entire satisfaction.

5. Among many other problems there have been two outstanding ones. Firstly the ceiling of manpower in the Italian Air Force, and secondly the question of rations. A somewhat arbitrary decision was made to reduce the ceiling from 32,000 to 22,000. This would have had serious repercussions in respect of Italian Air Force personnel on loan to the Allied Forces in substitution for Allied manpower, and the short time allowed us to carry out the demobilization of 10,000 men would have inevitably resulted in our being left with an inferior force as regards technical ability. Through our representa-

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6. In general the Italian Air Force maintains a satisfactory level of morale, but during the month of June this fell off somewhat due to political conditions and to various other causes, but it has now improved again. It is sometimes difficult to explain to Allied formations that they cannot expect the same high level of efficiency from the Italians as they do from their own squadrons, and that the dead hand of the past years of Fascism has killed initiative and to some extent the ability ~~to work hard~~ when the immediate end cannot be seen closely in sight.

Attention is directed to the security classification of this Supplement.

ROBERT E. DOE
Major, A.G.D.
Secretary General

Declassified E.O. 12356 Section 3.3/NND No. 759015

Nov 8, 1945
from PRB

FOR YOUR INFORMATION

The Armistice clauses together with other relevant documents will be given to the Press by the Italian Government at 1900 hrs, today, November 6. They are being simultaneously released by the US and UK governments in Washington and London. All material issued by the Italian Government will be in Italian. For the convenience of English speaking journalists we are issuing the text of the clauses of the "long terms" the commentary on these terms, and the Cunningham-de Courten Naval agreement with comment. These form, together with the Macmillan aide memoire of 24 February 1945, the major part of the Italian Government release. Please note release date and hour.

PUBLIC RELATIONS BRANCH
ALLIED COMMISSION
APO 394

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Declassified E.O. 12356 Section 3.3/NND No. 785015

ADDITIONAL CONDITIONS OF ARMISTICE WITH ITALY

(Long Terms)

Whereas in pursuance of an armistice dated September 3rd, 1943, between the United States and the British Kingdom Governments, acting in the interests of all United Nations, on the one hand, and the Italian Government on the other hand, hostilities were suspended between Italy and the United Nations on certain terms of a military nature;

And whereas in addition to these terms it was also provided in the said Armistice that the Italian Government bound themselves to comply with other conditions of a political, economic and financial nature to be transmitted later;

And whereas it is convenient that the terms of a military nature and the said other conditions of a political, economic and financial nature should without prejudice to the continued validity of the terms of the said Armistice of September 3rd, 1943, be completed in a further instrument;

The following together with the terms of the Armistice of September 3rd, 1943, are the terms on which the United States, United Kingdom and Soviet Governments, acting on behalf of the United Nations are prepared to suspend hostilities against Italy so long as their military operations against Germany and her Allies are not obstructed and Italy does not assist those Powers in any way and complies with the requirements of these Governments.

These terms have been presented by General Dwight D. EISENHOWER, Commander-in-Chief, Allied Forces, duly authorised to that effect.

And have been accepted unconditionally by Marshal Pietro BADOGLIO, Head of the Italian Government, representing the Supreme Command of the Italian land, sea and air forces and duly authorised to that effect by the Italian Government.

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Words and sentences in italics, including the title, do not appear in the original document signed at Malta on September 29, 1943 but have been subsequently added or modified in agreement with the Protocol of November 9, 1943 (See No. 12b).

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of a military nature;

And whereas in addition to these terms it was also provided in the said Armistice that the Italian Government bound themselves to comply with other conditions of a political, economic and financial nature to be communicated later;

And whereas it is convenient that the terms of a military nature and the said other conditions of a political, economic and financial nature should without prejudice to the continued validity of the terms of the said Armistice of September 3rd, 1943, be completed in a further instrument;

The following together with the terms of the Armistice of September 3rd, 1943, are the terms on which the United States, United Kingdom and Soviet Governments, acting on behalf of the United Nations are prepared to suspend hostilities against Italy so long as their military operations against Germany and her Allies are not embarrassed and Italy does not assist those Powers in any way and complies with the requirements of these Governments.

These terms have been presented by General Dwight D. EISENHOWER, Commander-in-Chief, Allied Forces, duly authorised to that effect.

And have been accepted unconditionally by Marshal Pietro BADOGLIO, Head of the Italian Government, representing the Supreme Command of the Italian land, sea and air forces and duly authorised to that effect by the Italian Government.

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Words and sentences in italics, including the title, do not appear in the original document signed at Malta on September 29, 1943 but have been subsequently added or modified in agreement with the Protocol of November 9, 1943 (See No. 12b).

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ADDITIONAL CONDITIONS OF ARMISTICE WITH ITALY

(LONG TERMS)

1.

(A) The Italian Land, Sea and Air Forces wherever located, hereby surrender.

(B) Italian participation in the war in all Theatres will cease immediately. There will be no opposition to landings, movements or other operations of the Land, Sea and Air Forces of the United Nations. Accordingly, the Italian Supreme Command will order the immediate cessation of hostilities of any kind against the Forces of the United Nations and will direct the Italian Navy, Military and Air Force authorities in all Theaters to issue forthwith the appropriate instructions to those under their Command.

(C) The Italian Supreme Command will further order all Italian Naval, Military and Air Forces or authorities and personnel to refrain immediately from destruction of or damage to any real or personal property, whether public or private.

2. The Italian Supreme Command will give full information concerning the disposition and condition of all Italian Land, Sea and Air Forces, wherever they are situated and of all such forces of Italy's Allies as are situated in Italian or Italian occupied territory.

3. The Italian Supreme Command will take the necessary measures to secure airfields, port facilities, and all other installations against seizure or attack by any of Italy's Allies. The Italian Supreme Command will take the necessary measures to insure Law and Order, and to use its available armed forces to insure prompt and exact compliance with all the provisions of the present Instrument. Subject to such use of Italian troops for the above purposes, as may be sanctioned by the Allied Commander-in-Chief, all other Italian Land, Sea and Air Forces will proceed to and remain in their barracks, camps or ships pending directions from the United Nations as to their future status and disposal. Exceptionally such Naval personnel shall proceed to shore establishments as the United Nations may direct.

4. Italian Land, Sea and Air Forces will within the periods to be laid down by the United Nations withdraw from all areas outside Italian territory notified to the Italian Government by the United Nations and proceed to areas to be specified by the United Nations. Such movement of Italian Land, Sea and Air Forces will be carried out in conditions to be laid down by the United Nations, and in accordance with the orders to be issued by them. All Italian officials will similarly leave the areas notified except any who may be permitted to remain by the United Nations. Those permitted to remain will comply with the instructions of the Allied Commander-in-Chief.

5. No requisitioning, seizures or other coercive measures shall be

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Navy, Military and Air Force authorities in [illegible]
appropriate instructions to those under their Command.

(C) The Italian Supreme Command will further order all Italian Naval, Military and Air Forces or authorities and personnel to refrain immediately from destruction of or damage to any real or personal property, whether public or private.

2. The Italian Supreme Command will give full information concerning the disposition and condition of all Italian Land, Sea and Air Forces, wherever they are situated and of all such forces of Italy's Allies as are situated in Italian or Italian occupied territory.

3. The Italian Supreme Command will take the necessary measures to secure airfields, port facilities, and all other installations against sabotage or attack by any of Italy's Allies. The Italian Supreme Command will take the necessary measures to insure Law and Order, and to use its available armed forces to insure prompt and exact compliance with all the provisions of the present Armistice. Subject to such use of Italian troops for the above purposes, as may be sanctioned by the Allied Commander-in-Chief, all other Italian Land, Sea and Air Forces will proceed to and remain in their barracks, camps or ships pending directions from the United Nations as to their future status and disposal. Exceptionally such Naval personnel shall proceed to those establishments as the United Nations may direct.

4. Italian Land, Sea and Air Forces will within the periods to be laid down by the United Nations withdraw from all areas outside Italian territory notified to the Italian Government by the United Nations and proceed to areas to be specified by the United Nations. Such movement of Italian Land, Sea and Air Forces will be carried out in conditions to be laid down by the United Nations, and in accordance with the orders to be issued by them. All Italian officials will similarly leave the areas notified except any who may be permitted to remain by the United Nations. Those permitted to remain will comply with the instructions of the Allied Commander-in-Chief.

5. No requisitioning, seizures or other coercive measures shall be effected by Italian Land, Sea and Air Forces or officials in regard to persons or property in the areas notified under Article 4.

6. The demobilisation of Italian Land, Sea and Air Forces in excess of such establishments as shall be notified will take place as prescribed by the Allied Commander-in-Chief.

7. Italian warships of all descriptions, auxiliaries and transports will be assembled as directed in ports to be specified by the Allied Commander-in-Chief, and will be dealt with as prescribed by the Allied Commander-in-Chief. (Note. If at the date of the Armistice the whole of the Italian Fleet has been

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assembled in Allied ports, this article would run - "Italian warships of all descriptions, auxiliaries, and transports will remain until further notice in the ports where they are at present assembled, and will be dealt with as prescribed by the Allied Commander-in-Chief".

8. Italian aircraft of all kinds will not leave the ground or water or ships, except as directed by the Allied Commander-in-Chief.

9. Without prejudice to the provisions 14, 15 and 23 (A) and (D) below, all merchant ships, fishing or other craft of whatever flag, all aircraft and inland transport of whatever nationality in Italian or Italian-occupied territory or waters will, pending verification of their identity and status, be prevented from leaving.

10. The Italian Supreme Command will make available all information about naval, military and air devices, installations, and defences, about all transport and intercommunication systems established by Italy or her allies on Italian territory or in the approaches thereto, about minefields or other obstacles to movement by land, sea or air and such other particulars as the United Nations may require in connection with the use of Italian bases, or with operations, security, or welfare of the United Nations Land, Sea or Air Forces. Italian forces and equipment will be made available as required by the United Nations for the removal of the above mentioned obstacles.

11. The Italian Government will furnish forthwith lists of quantities of all war material showing the location of the same. Subject to such use as the Allied Commander-in-Chief may make of it, the war material will be placed in store under such control as he may direct. The ultimate disposal of war material will be prescribed by the United Nations.

12. There will be no destruction of nor damage to nor except as authorized or directed by the United Nations any removal of war material, wireless, radio location or meteorological stations, railroad, port or other installations or in general, public or private utilities or property of any kind, wherever situated, and the necessary maintenance and repair will be the responsibility of the Italian authorities.

13. The manufacture, production and construction of war material and its import, export and transit is prohibited, except as directed by the United Nations. The Italian Government will comply with any directions given by the United Nations for the manufacture, production or construction and the import, export or transit of war material.

14.

(a) All Italian merchant shipping and fishing and other craft, wherever they may be, and any constructed or completed during the period of the present instrument will be made available in good repair and in seaworthy condition by the competent Italian authorities at such places and for such purposes and periods as the United Nations may prescribe. Transfer to enemy or neutral flags is prohibited. Crews will remain on board pending further instructions regarding their continued employment or dispersal. Any existing

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10. The Italian Supreme Command will make available all information about naval, military and air devices, installations, and defences, [illegible] transmit all internal communication systems established by Italy or her allies on Italian territory or in the approaches thereto, about minefields or other obstacles to movement by land, sea or air and such other particulars as the United Nations may require in connection with the use of Italian bases, or with operations, security, or welfare of the United Nations Land, Sea or Air forces. Italian forces and equipment will be made available as required by the United Nations for the removal of the above mentioned obstacles.

11. The Italian Government will furnish forthwith lists of quantities of all war material showing the location of the same. Subject to such use as the Allied Commander-in-Chief may make of it, the war material will be placed in store under such control as he may direct. The ultimate disposal of war material will be prescribed by the United Nations.

12. There will be no destruction of nor damage to nor except as authorized or directed by the United Nations any removal of war material, wireless, radio location or meteorological stations, railroad, port or other installations or in general, public or private utilities or property of any kind, wherever situated, and the necessary maintenance and repair will be the responsibility of the Italian authorities.

13. The manufacture, production and construction of war material and its import, export and transit is prohibited, except as directed by the United Nations. The Italian Government will comply with any directions given by the United Nations for the manufacture, production or construction and the import, export or transit of war material.

14.

(A) All Italian merchant shipping and fishing and other craft, wherever they may be, and any constructed or completed during the period of the present instrument will be made available in good repair and in seaworthy condition by the competent Italian authorities at such places and for such purposes and periods as the United Nations may prescribe. Transfer to enemy or neutral flags is prohibited. Crews will remain on board pending further instructions regarding their continued employment or dispersal. Any existing options to repurchase or re-acquire or to resume control of Italian or former Italian vessels sold or otherwise transferred or chartered during the war will forthwith be exercised and the above provisions will apply to all such vessels and their crews.

(B) All Italian inland transport and all port equipment will be held at the disposal of the United Nations for such purposes as they may direct.

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15. United Nations merchant ships, fishing and other craft in Italian hands wherever they may be (including for this purpose those of any country which has broken off diplomatic relations with Italy) whether or not the title has been transferred as the result of prize court proceedings or otherwise, will be surrendered to the United Nations and will be assembled in ports to be specified by the United Nations for disposal as directed by them. The Italian Government will take all such steps as may be required to secure the necessary transfers of title. Any neutral merchant ships, fishing or other craft under Italian requisition or control will be assembled in the same manner pending arrangements for their ultimate disposal. Any necessary repairs to any of the above mentioned vessels will be effected by the Italian Government, if required, at their expense. The Italian Government will take the necessary measures to ensure that the vessels and their cargo are not damaged.

16. All telecommunications installations of whatever form of [illegible] whether belonging to Italian [illegible] other than the Italian Government and operations for the control of these installations have been prescribed by the Allied Commander-in-Chief. The Italian authorities will conform to such measures for the control of the dissemination of press and other publications of whatever kind and control of the manufacture or broadcasting, and also of all forms of inter-communication within the Allied Command-in-Chief's area of operations. The Allied Commander-in-Chief may, at his discretion, take over public, private and other communication station.

17. The warships, auxiliaries, transports and merchant and other vessels and aircraft in the service of the United Nations will have the right freely to use the territorial waters around and the air over Italian territory.

18. The forces of the United Nations will require to occupy certain parts of Italian territory. The territories or areas concerned will from time to time be notified by the United Nations and all Italian Land, Sea and air Forces will thereupon withdraw from such territories or areas in accordance with the instructions issued by the Allied Commander-in-Chief. The provisions of this article are without prejudice to those of article 4 above. The Italian Supreme Command will guarantee immediate use and access to the Allies of all airfields and Naval ports in Italy under their control.

19. In the territories or areas referred to in article 18 all Naval, Military and air installations, power stations, oil refineries, public utility services, all ports and harbors, all transport and all inter-communication installations, facilities and equipment and such other installations or facilities and all such stocks as may be required by the United Nations will be made available in good condition by the competent Italian authorities with the personnel required for working them. The Italian Government will make available such other local resources or services as the United Nations may require.

20. Without prejudice to the provisions of the present instrument the United Nations will exercise all the rights of an occupying power throughout the territories or areas referred to in article 18, the administration of which will be provided for by the issue of proclamations, orders or regulations. Personnel of the Italian administrative, judicial and public services will carry out their functions under the control of the Allied Commander-in-Chief unless otherwise directed.

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[illegible] insure that the vessels and their cargo are not damaged.

[illegible] vessels and aircraft in the service of the United Nations will have the right freely to use the territorial waters around and the air over Italian territory.

18. The forces of the United Nations will require to occupy certain parts of Italian territory. The territories or areas concerned will from time to time be notified by the United Nations and all Italian Land, Sea and Air Forces will thereupon withdraw from such territories or areas in accordance with the instructions issued by the Allied Commander-in-Chief. The provisions of this article are without prejudice to those of article 4 above. The Italian Supreme Command will guarantee immediate use and access to the Allies of all airfields and Naval ports in Italy under their control.

19. In the territories or areas referred to in article 18 all Naval, Military and Air installations, power stations, oil refineries, public utility services, all ports and harbors, all transport and all inter-communication installations, facilities and equipment and such other installations or facilities and all such stocks as may be required by the United Nations will be made available in good condition by the competent Italian authorities with the personnel required for working them. The Italian Government will make available such other local resources or services as the United Nations may require.

20. Without prejudice to the provisions of the present instrument the United Nations will exercise all the rights of an occupying power throughout the territories or areas referred to in article 18, the administration of which will be provided for by the issue of proclamations, orders or regulations. Personnel of the Italian administrative, judicial and public services will carry out their functions under the control of the Allied Commander-in-Chief unless otherwise directed.

21. In addition to the rights in respect of occupied Italian territories described in articles 18 to 20,

(A) Members of the Land, Sea or Air Forces and officials of the United Nations will have the right of passage in or over non-occupied Italian territory and will be afforded all the necessary facilities and assistance in performing their functions.

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(B) The Italian authorities will make available on non-occupied Italian territory all transport facilities required by the United Nations including free transit for their war material and supplies, and will comply with instructions issued by the Allied Commander-in-Chief regarding the use and control of airfields, ports, shipping, inland transport systems and vehicles, intercommunication systems, power stations and public utility services, oil refineries, stocks and such other fuel and power supplies and means of producing same, as United Nations may specify, together with connected repair and construction facilities.

22. The Italian Government and people will abstain from all action detrimental to the interests of the United Nations and will carry out promptly and efficiently all orders given by the United Nations.

23. The Italian Government will make available such Italian currency as the United Nations may require. The Italian Government will withdraw and redeem in Italian currency within such time-limits and on such terms as the United Nations may specify all holdings in Italian territory of currencies issued by the United Nations during military operations or occupation and will hand over the currencies withdrawn free of cost to the United Nations. The Italian Government will take such measures as may be required by the United Nations for the control of banks and business in Italian territory, for the control of foreign exchange and foreign commercial and financial transactions and for the regulation of trade and production and will comply with any instructions issued by the United Nations regarding these and similar matters.

24. There shall be no financial, commercial or other intercourse with or dealings with or for the benefit of countries at war with any of the United Nations or territories occupied by such countries or any other foreign country except under authorization of the Allied Commander-in-Chief or designated officials.

25.

(A) Relations with countries at war with any of the United Nations, or occupied by any such country, will be broken off. Italian diplomatic, consular and other officials and members of the Italian Land, Sea and Air Forces accredited to or serving on missions with any such country or in any other territory specified by the United Nations will be recalled. Diplomatic and consular officials of such countries will be dealt with as the United Nations may prescribe.

(B) The United Nations reserve the right to require the withdrawal of neutral diplomatic and consular officers from occupied Italian territory and to prescribe and lay down regulations governing the procedure for the methods of communication between the Italian Government and its representatives in neutral countries and regarding communications emanating from or destined for the representatives of neutral countries in Italian territory.

26. Italian subjects will pending further instructions be prevented from leaving Italian territory except as authorized by the Allied Commander-in-

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detrimental to the interests of the United Nations and will carry out promptly and efficiently all orders given by the United Nations.

23. The Italian Government will make available such Italian currency as the United Nations may require. The Italian Government will withdraw and redeem in Italian currency within such time-limits and on such terms as the United Nations may specify all holdings in Italian territory of currencies issued by the United Nations during military operations or occupation and will hand over the currencies withdrawn free of cost to the United Nations. The Italian Government will take such measures as may be required by the United Nations for the control of banks and business in Italian territory, for the control of foreign exchange and foreign commercial and financial transactions and for the regulation of trade and production and will comply with any instructions issued by the United Nations regarding these and similar matters.

24. There shall be no financial, commercial or other intercourse with or dealings with or for the benefit of countries at war with any of the United Nations or territories occupied by such countries or any other foreign country except under authorization of the Allied Commander-in-Chief or designated officials.

25.

(A) Relations with countries at war with any of the United Nations, or occupied by any such country, will be broken off. Italian diplomatic, consular and other officials and members of the Italian Land, Sea and Air Forces accredited to or serving on missions with any such country or in any other territory specified by the United Nations will be recalled. Diplomatic and consular officials of such countries will be dealt with as the United Nations may prescribe.

(B) The United Nations reserve the right to require the withdrawal of neutral diplomatic and consular officers from occupied Italian territory and to prescribe and lay down regulations governing the procedure for the methods of communication between the Italian Government and its representatives in neutral countries and regarding communications emanating from or destined for the representatives of neutral countries in Italian territory.

26. Italian subjects will pending further instructions be prevented from leaving Italian territory except as authorized by the Allied Commander-in-Chief and will not in any event take service with any of the countries or in any of the territories referred to in article 25 (A) nor will they proceed to any place for the purpose of undertaking work for any such country. Those at present so serving or working will be recalled as directed by the Allied Commander-in-Chief.

27. The Military, Naval and Air personnel and material and the merchant shipping, fishing and other craft and the aircraft, vehicles and other transport equipment of any country against which any of the United Nations is carrying on hostilities or which is occupied by any such country, remain liable to attack or seizure whorever found in or over Italian territory or waters.

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(A) The warships, auxiliaries and transports of any such country or occupied country referred to in article 27 in Italian or Italian occupied ports and waters and the aircraft, vehicles and other transport equipment of such countries in or over Italian or Italian occupied territory will, pending further instructions, be prevented from leaving.

(B) The Military, Naval and Air personnel and the civilian nationals of any such country or occupied country in Italian or Italian occupied territory will be prevented from leaving and will be interned pending further instructions.

(C) All property in Italian territory belonging to any such country or occupied country or its nationals will be impounded and kept in custody pending further instructions.

(D) The Italian Government will comply with any instructions given by the Allied Commander-in-Chief concerning the internment, custody or subsequent disposal, utilization or employment of any of the above-mentioned persons, vessels, aircraft, materiel or property.

29. BENITO MUSSOLINI, his Chief Fascist associates and all persons suspected of having committed war crimes or analogous offences whose names appear on lists to be communicated by the United Nations and who now or in the future are on territory controlled by the Allied Military Command or by the Italian Government will forthwith be apprehended and surrendered into the hands of the United Nations. Any instructions given by the United Nations for this purpose will be complied with.

30. All Fascist organizations, including all branches of the Fascist Militia (MVSN), the Secret Police, (OVRA), all Fascist youth organizations will insofar as this is not already accomplished be disbanded in accordance with the directions of the Allied Commander-in-Chief. The Italian Government will comply with all such further directions as the United Nations may give for abolition of Fascist institutions, the dismissal and internment of Fascist personnel, the control of Fascist funds, the suppression of Fascist ideology and teaching.

31. All Italian laws involving discrimination on grounds of race, color, creed or political opinions will insofar as this is not already accomplishe be rescinded, and persons detained on such grounds will, as directed by the United Nations, be released and relieved from all legal disabilities to which they have been subjected. The Italian Government will comply with all such further directions as the Allied Commander-in-Chief may give for repeal of Fascist legislation and removal of any disabilities or prohibitions resulting therefrom.

32.

(A) Prisoners of war belonging to the forces of or specified by the United Nations and any nationals of the United Nations, including Abyssinian subjects, confined, interned, or otherwise under restraint in Italian or Italian-occupied territory will not be

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(C) All property in Italian territory belonging to any such country or occupied country or its nationals will be impounded and kept in custody pending further instructions.

(D) The Italian Government will comply with any instructions given by the Allied Commander-in-Chief concerning the internment, custody or subsequent disposal, utilization or employment of any of the above-mentioned persons, vessels, aircraft, material or property.

29. BENITO MUSSOLINI, his Chief Fascist associates and all persons suspected of having committed war crimes or analogous offences whose names appear on lists to be communicated by the United Nations and who now or in the future are on territory controlled by the Allied Military Command or by the Italian Government will forthwith be apprehended and surrendered into the hands of the United Nations. Any instructions given by the United Nations for this purpose will be complied with.

30. All Fascist organizations, including all branches of the Fascist Militia (MVSN), the Secret Police, (OVRA), all Fascist youth organizations will insofar as this is not already accomplished be disbanded in accordance with the directions of the Allied Commander-in-Chief. The Italian Government will comply with all such further directions as the United Nations may give for abolition of Fascist institutions, the dismissal and internment of Fascist personnel, the control of Fascist funds, the suppression of Fascist ideology and teaching.

31. All Italian laws involving discrimination on grounds of race, color, creed or political opinions will insofar as this is not already accomplished be rescinded, and persons detained on such grounds will, as directed by the United Nations, be released and relieved from all legal disabilities to which they have been subjected. The Italian Government will comply with all such further directions as the Allied Commander-in-Chief may give for repeal of Fascist legislation and removal of any disabilities or prohibitions resulting therefrom.

32.

(A) Prisoners of war belonging to the forces of or specified by the United Nations and any nationals of the United Nations, including Abyssinian subjects, confined, interned, or otherwise under restraint in Italian or Italian-occupied territory will not be removed and will forthwith be handed over to representatives of the United Nations or otherwise dealt with as the United Nations may direct. Any removal during the period between the presentation and the signature of the present instrument will be regarded as a breach of its terms.

(B) Persons of whatever nationality who have been placed under restriction, detention or sentence (including sentences in absentia) on account of their dealings or sympathies with the United Nations will be released under the direction of the United Nations and relieved from all legal disabilities to which they have subjected.

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(C) The Italian Government will take such steps as the United Nations may direct to safeguard the persons of foreign nationals and property of foreign nationals and property of foreign states and nationals.

33.

(A) The Italian Government will comply with such directions as the United Nations may prescribe regarding restitution, deliveries, services or payments by way of reparation and payment of the costs of occupation during the period of the present instrument.

(B) The Italian Government will give to the Allied Commander-in-Chief such information as may be prescribed regarding the assets, whether inside or outside Italian territory, of the Italian state, the Bank of Italy, any Italian state or semi-state institutions or Fascist organizations or residents in Italian territory and will not dispose or allow the disposal, outside Italian territory of any such assets except with the permission of the United Nations.

34. The Italian Government will carry out during the period of the present instrument such measures of disarmament, demobilization and demilitarization as may be prescribed by the Allied Commander-in-Chief.

35. The Italian Government will supply all information and provide all documents required by the United Nations. There shall be no destruction or concealment of archives, records, plans or any other documents or information.

36. The Italian Government will take and enforce such legislative and other measures as may be necessary for the execution of the present instrument. Italian military and civil authorities will comply with any instructions issued by the Allied Commander-in-Chief for the same purpose.

37. There will be appointed a control commission representative of the United Nations charged with regulating and executing this instrument under the orders and general directions of the Allied Commander-in-Chief.

38.

(A) The term "United Nations" in the present instrument includes the Allied Commander-in-Chief, the control commission and any other authority which the United Nations may designate.

(B) The term "Allied Commander-in-Chief" in the present instrument includes the control commission and such other officers and representatives as the Commander-in-Chief may designate.

39. References to Italian Land, Sea and Air Forces in the present instrument shall be deemed to include Fascist Militia and all such other military or paramilitary units, formations or bodies as the Allied Commander-in-Chief may prescribe.

40. The term "War Material" in the present instrument denotes all material specified in such lists or definitions as may from time to time be issued by the control commission.

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(B) The Italian Government will give to the Allied Commander-in-Chief such information as may be prescribed regarding the assets, whether inside or outside Italian territory, of the Italian state, the Bank of Italy, any Italian state or semi-state institutions or Fascist organizations or residents in Italian territory and will not dispose or allow the disposal, outside Italian territory of any such assets except with the permission of the United Nations.

34. The Italian Government will carry out during the period of the present instrument such measures of disarmament, demobilization and demilitarization as may be prescribed by the Allied Commander-in-Chief.

35. The Italian Government will supply all information and provide all documents required by the United Nations. There shall be no destruction or concealment of archives, records, plans or any other documents or information.

36. The Italian Government will take and enforce such legislative and other measures as may be necessary for the execution of the present instrument. Italian military and civil authorities will comply with any instructions issued by the Allied Commander-in-Chief for the same purpose.

37. There will be appointed a control commission representative of the United Nations charged with regulating and executing this instrument under the orders and general directions of the Allied Commander-in-Chief.

38.

(A) The term "United Nations" in the present instrument includes the Allied Commander-in-Chief, the control commission and any other authority which the United Nations may designate.

(B) The term "Allied Commander-in-Chief" in the present instrument includes the control commission and such other officers and representatives as the Commander-in-Chief may designate.

39. References to Italian Land, Sea and Air Forces in the present instrument shall be deemed to include Fascist Militia and all such other military or paramilitary units, formations or bodies as the Allied Commander-in-Chief may prescribe.

40. The term "War Material" in the present instrument denotes all material specified in such lists or definitions as may from time to time be issued by the control commission.

41. The term "Italian Territory" includes all Italian colonies and dependencies and shall for the purposes of the present instrument (but without prejudice to the question of sovereignty) be deemed to include Albania. Provided however that except in such cases and to such extent as the United Nations may direct the provisions of the present instrument shall not apply in or affect the administration of any Italian colony or dependency already occupied by the United Nations or the rights or powers therein possessed or exercised by them.

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42. The Italian Government will send a delegation to the Headquarters of the control commission to represent Italian interests and to transmit the orders of the control commission to the competent Italian authorities.

43. The present instrument shall enter into force _____ hours after its signature. It will remain in operation until superseded by any other arrangements or until the voting into force of the peace treaty with Italy.

44. The present instrument may be denounced by the United Nations with immediate effect if Italian obligations hereunder are not fulfilled or, as an alternative, the United Nations may penalize contravention of it by measures appropriate to the circumstances such as the extension of the areas of military occupation or air or other punitive action.

The present instrument is drawn up in English and Italian, the English text being authentic, and in case of any dispute regarding its interpretation, the decision of the control commission will prevail.

Signed at MALTA on the 29th day of September 1943.

Marshal
PIETRO BADOGLIO
Head of the Italian Government

General, United States Army
Dwight D. EISENHOWER
Commander-in-Chief
Allied Forces

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appropriate to the circumstances [illegible] occupation or air or other punitive action.

The present instrument is drawn up in English and Italian, the English text being authentic, and in case of any dispute regarding its interpretation, the decision of the control commission will prevail.

Signed at MALTA on the 29th day of September 1943.

Marshal
PIETRO BADOGLIO
Head of the Italian Government

General, United States Army
Dwight D. EISENHOWER
Commander-in-Chief
Allied Forces

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AMENDED BY FAN. 624.

S E C R E T.

ADDITIONAL CONDITIONS OF ARMISTICE WITH ITALY.

COMMENT: The extent to which certain articles of the following agreement signed on behalf of the United Nations on the one hand and the Italian Government on the other have been implemented or modified is shown in italics under the relevant articles. The remaining articles have either been superceded by events and are therefore dormant, or are still in force. These articles are not commented upon.

(NOTE: Articles of armistice terms to be inserted above each applicable comment)

Article

1. Text of article.....
2. " " "
3. " " "
4. " " "
5. " " "

Were complied with.

6. Text of article.....
7. " " "
8. " " "
9. " " "
10. " " "
11. " " "
12. " " "

With the cooperation of the Italian Government, the Italian Armed Forces have been used to the maximum useful extent in the services of the United nations and have contributed materially towards the liberation of Italy and final victory. The Italian Navy has operated with Allied warships in the Mediterranean and elsewhere and since the cessation of hostilities has largely been employed in the Italian interests in mine sweeping and the transport of displaced persons. The Army fought alongside Allied formations during the campaign in Italy and the Air Force took its place with the Allied Air Forces.

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(NOTE: Articles of armistice terms to be inserted above each applicable comment)

Article

1. Text of article.....
2. " " "
3. " " "
4. " " "
5. " " "

Were complied with.

6. Text of article.....
7. " " "
8. " " "
9. " " "
10. " " "
11. " " "
12. " " "

With the cooperation of the Italian Government, the Italian Armed Forces have been used to the maximum useful extent in the services of the United nations and have contributed materially towards the liberation of Italy and final victory. The Italian Navy has operated with Allied warships in the Mediterranean and elsewhere and since the cessation of hostilities has largely been employed in the Italian interests in mine sweeping and the transport of displaced persons. The Army fought alongside Allied formations during the campaign in Italy and the Air Force took its place with the Allied Air Forces.

13. Text of article.....

No comments.

14. Text of article.....

While Italian merchant ships have been employed in the general interests of the United Nations, they have been primarily employed in the Italian interest. Italian inland transport and ports have now been largely returned to Italian administration except insofar as redeployment and maintenance of Allied Forces has had to be effected.

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Article

15. Text of article... .

The provisions of the article as regards small vessels and craft have not been fully satisfied owing to the difficulty of locating and identifying the vessels and craft concerned.

16. Text of article.....

Control of radio has been returned to the Italian Government. All military and rehabilitated civilian telecommunications are being handed over to the Italians as military requirements decrease. Internal censorship has been abolished in the areas under Italian Government control.

17. Text of article.....

No comments.

18. Text of article.....

The second sentence of this article has never been invoked except in two frontier areas, ie., on the Franco-Italian frontier and Venezia Giulia.

19. Text of article.....

Care has been taken to conserve, wherever possible, Italian resources for the use of the civil economy and to utilise local goods and services only when military necessity demanded.

The Allied Forces Local Resources Board, on the committees of which Italian representatives have sat, was established as the allocation agency. While the legal rights of the Allied Forces under this article have not been modified, in practice it has been administered with as much regard as possible for Italian needs. With the redeployment of Allied troops from Italy the utilisation of local resources and facilities is diminishing rapidly. In addition, large quantities of food, coal, clothing and other commodities have been imported into Italy by the United Nations, largely in United Nations ships, to supplement local resources and to alleviate distress.

20. Text of article.....

AMG was rigorously enforced in combat zones for obvious [illegible]. This was progressively relaxed as

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has been abolished in the areas under Italian Government control.

17. Text of article.....

No comments.

18. Text of article.....

The second sentence of this article has never been invoked except in two frontier areas, ie., on the Franco-Italian frontier and Venezia Giulia.

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20. Text of article.....

AMG was rigorously enforced in combat zones for obvious operational reasons. This was progressively relaxed as the battle moved forward until territories were handed over wholly to Italian administration.

21. Text of article.....

As Allied Forces are redeployed facilities are progressively being handed back to Italian control.

22. Text of article.....

With the declaration of war upon the Germans by the Italian Government in October 1943, there has never been any necessity to invoke this article.

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Article

23. Text of article.....

The Italian Government has been informed that the Allied Commission will no longer intervene in Italian internal financial affairs, except in cases of Allied military necessity, and that with certain exceptions in Italy's own interests the Italian Government need no longer obtain the approval of the Allied Commission prior to the execution of external financial transactions. The Italian Government is now free to fix its negotiate exchange rates for the lire without prior consultation with the Allied Commission.

24. Text of article.....

Private export trade may now be resumed and all types of commercial and financial correspondence may now go forward from Italy to the non-enemy world, subject to the Italian Government putting into force certain trade control measures similar to those employed by the United Nations, against enemy interests.

25. Text of article.....

No comments.

26. Text of article.....

This article is no longer enforced and provided an individual has the necessary civil documents such as passport, visa, etc., there is nothing to prevent him leaving Italian territory, subject of course to the immigration laws and regulations of the countries of intended destination.

27. Text of article.....

No comments.

28. Text of article.....

No comments.

29. Text of article.....

No comments.

30. Text of article.....

31. Text of article.....

The Italian Government has of its own volition done all that would have been required.

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for the like without prior consultation with the Allied Commission.

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27. Text of article.....

No comments.

28. Text of article.....

No comments.

29. Text of article.....

No comments.

30. Text of article.....

31. Text of article.....

The Italian Government has of its own volition done all that would have been required.

32. Text of article.....

This article has been complied with and is in the case of clauses (a) and (b) no longer applicable. As regards clause (c), the Italian Government has cooperated loyally in carrying out such instructions as have been given concerning the conservation and administration of United Nations property in Italy previously sequestrated by the Italian Government.

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Article

33. Text of article.....

The part of clause 33 (b) that deals with the disposal of foreign assets has been modified in favour of the Italian Government. (See under Article 23).

34. Text of article.....

No comments.

35. Text of article.....

No comments.

36. Text of article.....

37. Text of article.....

The execution of these clauses has been modified by the Macmillan Aide Memoir of 24 February 1945.

38. Text of article.....

No comments.

39. Text of article.....

No comments.

40. Text of article.....

No comments.

41. Text of article.....

In practice the Armistice conditions have not been applied to ALBANIA or to any former Italian territories overseas.

42. Text of article.....

No comments.

43. Text of article.....

No comments.

44. Text of article.....

No comments.

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MEMORANDUM OF AGREEMENT OF 23 SEPTEMBER 1943 ON THE EMPLOYMENT AND DISPOSITION OF THE ITALIAN FLEET AND MERCANTILE MARINE BETWEEN THE ALLIED NAVAL COMMANDER IN CHIEF, MEDITERRANEAN, ACTING ON BEHALF OF THE ALLIED COMMANDER IN CHIEF AND THE ITALIAN MINISTER OF MARINE AS AMENDED BY PROTOCOL OF 17 NOVEMBER 1943

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1. The armistice having been signed between the Head of the Italian Government and the Allied Commander-in-Chief under which all Italian warships and the Italian Mercantile Marine were placed unconditionally at the disposal of the United Nations, and H.M. The King of Italy and the Italian Government having since expressed the wish that the Fleet and the Italian Mercantile Marine should be employed in the Allied effort to assist in the prosecution of the war against the Axis powers, the following principles are established on which the Italian Navy and Mercantile Marine will be disposed.

It is understood and agreed that the provisions of this Agreement as to immediate employment and disposition of Italian warships and merchant ships do not affect the right of the United Nations to make such other dispositions of any or all Italian ships as they may think fit. Their decisions in this respect will be notified to the Italian Government from time to time.

(A) Such ships as can be employed to assist actively in the Allied effort will be kept in commission and will be used under the orders of the Commander-in-Chief, Mediterranean, as may be arranged between the Allied Commander-in-Chief and the Italian Government.

(B) Ships which cannot be so employed will be reduced to a care and maintenance basis and be placed in designated ports, measures of disarmament being undertaken as may be necessary.

(C) The Government of Italy will declare the names and whereabouts of

(i) Warships
(ii) Merchant ships

now in their possession which previously belonged to any of the United Nations. These vessels are to be returned forthwith as 21.
may be directed by the Allied Commander-in-Chief. This will be without prejudice to negotiations between the Governments which may subsequently be made in connection with replacing losses of ships of the United Nations caused by Italian action.

(D) The Allied Naval Commander-in-Chief will act as the agent of the Allied Commander-in Chief in all matters concerning the employment of the Italian Fleet or Merchant Navy, their disposition and related matters.

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expressed the wish that the Fleet and the Italian Mercantile Marine should be employed in the Allied effort to assist in the prosecution of the war against the Axis powers, the following principles are established on which the Italian Navy and Mercantile Marine will be disposed.

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(A) Such ships as can be employed to assist actively in the Allied effort will be kept in commission and will be used under the orders of the Commander-in-Chief, Mediterranean, as may be arranged between the Allied Commander-in-Chief and the Italian Government.

(B) Ships which cannot be so employed will be reduced to a care and maintenance basis and be placed in designated ports, measures of disarmament being undertaken as may be necessary.

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(D) The Allied Naval Commander-in-Chief will act as the agent of the Allied Commander-in-Chief in all matters concerning the employment of the Italian Fleet or Merchant Navy, their disposition and related matters.

(E) It should be clearly understood that the extent to which the terms of the armistice are modified to allow of the arrangements outlined above and which follow, are dependent upon the extent and effectiveness of Italian co-operation.

2. Method of Operation. The Commander-in-Chief, Mediterranean, will place at the disposal of the Italian Ministry of Marine a high ranking Naval officer with the appropriate staff who will be responsible to the Commander-in-Chief, Mediterranean, for all matters in connection with the operation of the Italian Fleet, and be the medium through which dealings will be carried out in connection with the Italian Mercantile Marine. The Flag Officer acting for these duties

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(Flag Officer Liaison), will keep the Italian Ministry of Marine informed of the requirements of the Commander-in-Chief, Mediterranean, and will act in close co-operation as regards issue of all orders to the Italian Fleet.

3. Proposed disposition of the Italian Fleet.

(a) All battleships will be placed on a care and maintenance basis in ports to be designated and will have such measures of disarmament applied as may be directed. These measures of disarmament will be such that the ships can be brought into operation again if it so seems desirable. Each ship will have on board a proportion of Italian Naval personnel to keep the ships in proper condition and the Commander-in-Chief, Mediterranean, will have the right of inspection at any time.

(b) Cruisers. Such cruisers as can be of immediate assistance will be kept in commission. At present it is visualized that one squadron of four cruisers will suffice and the remainder will be kept in care and maintenance as for the battleships but at a rather greater degree of readiness to be brought into service if required.

(c) Destroyers and Torpedo Boats. It is proposed to keep these in commission and to use them on escort and similar duties as may be requisite. It is proposed that they should be divided into escort groups working as units and that they should be based on Italian ports.

(d) Small Craft. M.A.S., Minesweepers, auxiliaries and similar small craft will be employed to the full, detailed arrangements being made with the Flag Officer (Liaison) by the Italian Ministry of Marine for their best employment.

(e) Submarines. In the first instance submarines will be immobilized in ports to be designated and at a later date these may be brought into service as may be required to assist the Allied effort.

4. Status of Italian Navy. Under this modification of the armistice terms, all the Italian ships will continue to fly their flags. A large proportion of the Italian Navy will thus remain in active commission operating their own ships and fighting alongside the forces of the United Nations against the Axis Powers.

The requisite liaison officers will be supplied to facilitate the working of the Italian ships in co-operation with Allied forces. A small Italian liaison mission will be attached to the Headquarters of the Commander-in-Chief, Mediterranean, to deal with matters affecting the Italian Fleet.

5. Mercantile Marine. It is the intention that the Italian Mercantile Marine should operate under the same conditions as the merchant ships of the Allied Nations. That is to say, all mercantile shipping of the United Nations is formed into a pool which is employed as may be considered necessary for the

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Ships in proper condition and the Commander-in-Chief, Mediterranean, will have the right of inspection at any time.

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5. Mercantile Marine. It is the intention that the Italian Mercantile Marine should operate under the same conditions as the merchant ships of the Allied Nations. That is to say, all mercantile shipping of the United Nations is formed into a pool which is employed as may be considered necessary for the benefit of all the United Nations. In this will naturally be included the requirements for the supply and maintenance of Italy. The system will be analogous to that used in North Africa, where the North Africa Shipping Board controls all United States, British and French shipping under certain agreements which will have to be arranged in detail in so far as Italian ships are concerned. While it may be expected that a proportion of Italian ships will be working within the Mediterranean and to and from Italian ports, it must be appreciated that this will not always necessarily be the case and ships flying the Italian flag may be expected to be used elsewhere as is done with the merchant ships of all the United Nations. Italian ships employed as outlined in this paragraph will be manned so far as possible by crews provided by Italian Ministry of Marine and will fly the Italian flag.

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COMMENTS ON THE CUNNINGHAM-de COURTEN AGREEMENT.

1. As explained within the terms, this agreement was produced in modification of the Armistice Terms in order that the Italian Fleet and Mercantile Marine could assist in the prosecution of the war against the Axis Powers.

2. The additions to the agreement were inserted at the Allied request after the original agreements had been concluded and were accepted on the Italian side in view of an amelioration of certain articles in original terms of the Armistice. Signature was accompanied by the formal statement of Admiral de Courten printed above.

3. The provisions of this agreement have been carried out and those provisions which remain operative with the cessation of hostilities are still being carried out. Furthermore, many Italian warships are undertaking work of direct benefit to the Italians themselves, e.g. transport of displaced persons.

4. While the employment of Italian ships has been of use to the United Nations it is pointed out that considerable United Nations resources have been expended in Italy to help the Italian Government in keeping Italian ships running and the crews fed and clothed.

5. In addition to the use of the Italian Mercantile Marine shipping, under this agreement a number of smaller Italian merchant ships have been returned to the control of the Italian authorities.

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FOR YOUR INFORMATION

The Armistice clauses together with other relevant documents will be given to the Press by the Italian Government at 1900 hrs, today, November 6. They are being simultaneously released by the US and UK governments in Washington and London. All material issued by the Italian Government will be in Italian. For the convenience of English speaking journalists we are issuing the text of the clauses of the "long terms" the commentary on these terms, and the Cunningham-de Courten Naval agreement with comment. These form, together with the Macmillan aide memoire of 24 February 1945, the major part of the Italian Government release. Please note release date and hour.

PUBLIC RELATIONS BRANCH
ALLIED COMMISSION
APO 394

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ADDITIONAL CONDITIONS OF ARMISTICE WITH ITALY

(Long Terms)

Whereas for the purpose of an armistice dated September 3rd, 1943, between the United States and the United Kingdom Governments, acting in the interests of all United Nations, on the one hand, and the Italian Government on the other hand, hostilities were suspended between Italy and the United Nations on certain terms of a military nature;

And whereas in addition to those terms it was also provided in the said Armistice that the Italian Government bound themselves to comply with other conditions of a political, economic and financial nature to be transmitted later;

And whereas it is convenient that the terms of a military nature and the said other conditions of a political, economic and financial nature should without prejudice to the continued validity of the terms of the said Armistice of September 3rd, 1943, be combined in a further instrument;

The following together with the terms of the Armistice of September 3rd, 1943, are the terms on which the United States, United Kingdom and Soviet Governments, acting on behalf of the United Nations are prepared to suspend hostilities against Italy so long as their military operations against Germany and her Allies are not obstructed and Italy does not obstruct those Powers in any way and complies with the requirements of those Governments.

These terms have been presented by General Dwight D. EISENHOWER, Commander-in-Chief, Allied Forces, duly authorized to that effect.

And have been accepted unconditionally by Marshal Pietro BADOGLIO, Head of the Italian Government, representing the Supreme Command of the Italian land, sea and air forces and duly authorized to that effect by the Italian Government.

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Words and sentences in italics, including the title, do not appear in the original document signed at Malta on September 29, 1943 but have been subsequently added or modified in agreement with the Protocol of November 9, 1943 (See No. 12b).

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ADDITIONAL CONDITIONS OF ARMISTICE WITH ITALY

(LONG TERMS)

1.

(A) The Italian Land, Sea and Air Forces wherever located, hereby surrender.

(B) Italian participation in the war in all Theatres will cease immediately. There will be no opposition to landings, movements or other operations of the Land, Sea and Air Forces of the United Nations. Accordingly, the Italian Supreme Command will order the immediate cessation of hostilities of any kind against the Forces of the United Nations and will direct the Italian Navy, Military and Air Force authorities in all Theaters to issue forthwith the appropriate instructions to those under their Command.

(C) The Italian Supreme Command will further order all Italian Naval, Military and Air Forces or authorities and personnel to refrain immediately from destruction of or damage to any real or personal property, whether public or private.

2. The Italian Supreme Command will give full information concerning the disposition and condition of all Italian Land, Sea and Air Forces, wherever they are situated and of all such forces of Italy's Allies as are situated in Italian or Italian occupied territory.

3. The Italian Supreme Command will take the necessary measures to secure airfields, port facilities, and all other installations against sabotage or attack by any of Italy's Allies. The Italian Supreme Command will take the necessary measures to insure Law and Order, and to use its available armed forces to insure prompt and exact compliance with all the provisions of the present Armistice. Subject to such use of Italian troops for the above purposes, as may be sanctioned by the Allied Commander-in-Chief, all other Italian Land, Sea and Air Forces will proceed to and remain in their barracks, camps or ships pending directions from the United Nations as to their future status and disposal. Exceptionally such Naval personnel shall proceed to shore establishments as the United Nations may direct.

4. Italian Land, Sea and Air Forces will within the periods to be laid down by the United Nations withdraw from all areas outside Italian territory notified to the Italian Government by the United Nations and proceed to areas to be specified by the United Nations. Such movement of Italian Land, Sea and Air Forces will be carried out in conditions to be laid down by the United Nations, and in accordance with the orders to be issued by them. All Italian officials will similarly leave the areas notified except any who may be permitted to remain by the United Nations. Those permitted to remain will comply with the instructions of the Allied Commander-in-Chief.

5. No requisitioning, seizures or other coercive measures shall be [illegible] officials in regard to persons

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operations of the Land, Sea and Air Forces of the United Nations. Accordingly, the Italian Supreme Command will order the immediate cessation of hostilities of any kind against the Forces of the United Nations and will direct the Italian Navy, Military and Air Force authorities in all Theaters to issue forthwith the appropriate instructions to those under their Command.

(C) The Italian Supreme Command will further order all Italian Naval, Military and Air Forces or authorities and personnel to refrain immediately from destruction of or damage to any real or personal property, whether public or private.

2. The Italian Supreme Command will give full information concerning the disposition and condition of all Italian Land, Sea and Air Forces, wherever they are situated and of all such forces of Italy's Allies as are situated in Italian or Italian occupied territory.

3. The Italian Supreme Command will take the necessary measures to secure airfields, port facilities, and all other installations against seizure or attack by any of Italy's Allies. The Italian Supreme Command will take the necessary measures to insure Law and Order, and to use its available armed forces to insure prompt and exact compliance with all the provisions of the present Instrument. Subject to such use of Italian troops for the above purposes, as may be sanctioned by the Allied Commander-in-Chief, all other Italian Land, Sea and Air Forces will proceed to and remain in their barracks, camps or bases pending directions from the United Nations as to their future status and disposal. Exceptionally such Naval personnel shall proceed to shore establishments as the United Nations may direct.

4. Italian Land, Sea and Air Forces will within the periods to be laid down by the United Nations withdraw from all areas outside Italian territory notified to the Italian Government by the United Nations and proceed to areas to be specified by the United Nations. Such movement of Italian Land, Sea and Air Forces will be carried out in conditions to be laid down by the United Nations, and in accordance with the orders to be issued by them. All Italian officials will similarly leave the areas notified except any who may be permitted to remain by the United Nations. Those permitted to remain will comply with the instructions of the Allied Commander-in-Chief.

5. No requisitioning, seizures or other coercive measures shall be effected by Italian Land, Sea and Air Forces or officials in regard to persons or property in the areas notified under Article 4.

6. The demobilization of Italian Land, Sea and Air Forces in excess of such establishments as shall be notified will take place as prescribed by the Allied Commander-in-Chief.

7. Italian warships of all descriptions, auxiliaries and transports will be assembled as directed in ports to be specified by the Allied Commander-in-Chief, and will be dealt with as prescribed by the Allied Commander-in-Chief. (Note. If at the date of the Armistice the whole of the Italian Fleet has been

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assembled in Allied ports, this article would run - "Italian warships of all descriptions, auxiliaries, and transports will remain until further notice in the ports where they are at present assembled, and will be dealt with as prescribed by the Allied Commander-in-Chief ...".

8. Italian aircraft of all kinds will not leave the ground or water or ships, except as directed by the Allied Commander-in-Chief.

9. Without prejudice to the provisions 14, (B) and 23 (A) and (D) below, all merchant ships, fishing or other craft of whatever flag, all aircraft and inland transport of whatever nationality in Italian or Italian occupied territory or waters will, pending verification of their identity and status, be prevented from leaving.

10. The Italian Supreme Command will make available all information about naval, military and air devices, installations, and defences, about all transport and intercommunication systems established by Italy or her allies on Italian territory or in the approaches thereto, about minefields or other obstacles to movement by land, sea or air and such other particulars as the United Nations may require in connection with the use of Italian bases, or with operations, security, or welfare of the United Nations Land, Sea or Air Forces. Italian forces and equipment will be made available as required by the United Nations for the removal of the above mentioned obstacles.

11. The Italian Government will furnish forthwith lists of quantities of all war material showing the location of the same. Subject to such use as the Allied Commander-in-Chief may make of it, the war material will be placed in store under such control as he may direct. The ultimate disposal of war material will be prescribed by the United Nations.

12. There will be no destruction of nor damage to nor except as authorized or directed by the United Nations any removal of war material, wireless, radio location or meteorological stations, railroad, port or other installations or in general, public or private utilities or property of any kind, wherever situated, and the necessary maintenance and repair will be the responsibility of the Italian authorities.

13. The manufacture, production and construction of war material and its import, export and transit is prohibited, except as directed by the United Nations. The Italian Government will comply with any directions given by the United Nations for the manufacture, production or construction and the import, export or transit of war material.

14.

(A) All Italian merchant shipping and fishing and other craft, wherever they may be, and any constructed or completed during the period of the present instrument will be made available in good repair and in seaworthy condition by the competent Italian authorities at such places and for such purposes and periods as the United Nations may prescribe. Transfer to enemy or neutral flags is prohibited. Crews will remain on board pending further instructions regarding their continued employment or dispersal. Any existing options to repurchase or re-acquire or to resume control of Italian or former Italian vessels sold or otherwise transferred or chartered during the war will

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10. The Italian Supreme Command will make available all information about naval, military and air mines, installations, and defences, about all transport and intercommunication systems established by Italy or her allies on Italian territory or in the approaches thereto, about minefields or other obstructions to movement by land, sea or air and such other particulars as the United Nations may require in connection with the use of Italian ports, or with operations, security, or welfare of the United Nations Land, Sea or Air forces. Italian officers and equipment will be made available as required by the United Nations for the removal of the above mentioned obstacles.

11. The Italian Government will furnish forthwith lists of quantities of all war material showing the location of the same. Subject to such use as the Allied Commander-in-Chief may make of it, the war material will be placed in store under such control as he may direct. The ultimate disposal of war material will be prescribed by the United Nations.

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14.

(A) All Italian merchant shipping and fishing and other craft, wherever they may be, and any constructed or completed during the period of the present instrument will be made available in good repair and in seaworthy condition by the competent Italian authorities at such places and for such purposes and periods as the United Nations may prescribe. Transfer to enemy or neutral flags is prohibited. Crews will remain on board pending further instructions regarding their continued employment or dispersal. Any existing options to repurchase or re-acquire or to resume control of Italian or former Italian vessels sold or otherwise transferred or chartered during the war will forthwith be exercised and the above provisions will apply to all such vessels and their crews.

(B) All Italian inland transport and all port equipment will be held at the disposal of the United Nations for such purposes as they may direct.

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15. United Nations merchant ships, fishing and other craft in Italian hands wherever they may be (excluding for this purpose those of any country which has broken off diplomatic relations with Italy) whether or not the title has been transferred as the result of prize court proceedings or otherwise, will be surrendered to the United Nations and will be assembled in ports to be specified by the United Nations for disposal as directed by them. The Italian Government will take all such steps as may be required to secure any necessary transfers of title. Any neutral merchant ship, fishing or other craft under Italian operation or control will be assembled in the same manner pending arrangements for their ultimate disposal. Any necessary repairs to any of the above mentioned vessels will be effected by the Italian Government, if required, at their expense. The Italian Government will take the necessary measures to ensure that the vessels and their cargo are not damaged.

16. All radio or telecommunication installations or other forms of telecommunication, shore or afloat, under Italian control whether belonging to Italy or to any other State shall be left undamaged until directions for the control of these installations have been prescribed by the United Nations Authorities. The latter authorities will prescribe the measures for control and ownership of press and other publications, of broadcasting and telecasting, and also of all forms of inter-communication before the Allied Commander-in-Chief may direct. The Allied Commander-in-Chief may, at his discretion, take over any radio, cable and other communication station.

17. The warships, auxiliaries, transports and merchant and other vessels and craft in the service of the United Nations will have the right freely to use the territorial waters around and the air over Italian territory.

18. The forces of the United Nations will require to occupy certain parts of Italian territory. The territories or areas concerned will from time to time be notified by the United Nations and all Italian Land, Sea and Air Forces will thereupon withdraw from such territories or areas in accordance with the instructions issued by the Allied Commander-in-Chief. The provisions of this article are without prejudice to those of article 4 above. The Italian Supreme Command will guarantee immediate use and access to the Allies of all airfields and Naval ports in Italy under their control.

19. In the territories or areas referred to in article 18 all Naval, Military and air installations, power stations, oil refineries, public utility services, all ports and harbors, all transport and all inter-communication installations, facilities and equipment and such other installations or facilities and all such stocks as may be required by the United Nations will be made available in good condition by the competent Italian authorities with the personnel required for working them. The Italian Government will make available such other local resources or services as the United Nations may require.

20. Without prejudice to the provisions of the present instrument the United Nations will exercise all the rights of an occupying power throughout the territories or areas referred to in article 18, the administration of which will be provided for by the issue of proclamations, orders or regulations. Personnel of the Italian administrative, judicial and public services will carry out their functions under the control of the Allied Commander-in-Chief unless

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[illegible] to

[illegible] to

[illegible] for

[illegible] vessels and [illegible] aft in the service of the United Nations will have the right freely to use the territorial waters around and the air over Italian territory.

18. The forces of the United Nations will require to occupy certain parts of Italian territory. The territories or areas concerned will from time to time be notified by the United Nations and all Italian Land, Sea and air Forces will thereupon withdraw from such territories or areas in accordance with the instructions issued by the Allied Commander-in-Chief. The provisions of this article are without prejudice to those of article 4 above. The Italian Supreme Command will guarantee immediate use and access to the Allies of all airfields and Naval ports in Italy under their control.

19. In the territories or areas referred to in article 18 all Naval, Military and air installations, power stations, oil refineries, public utility services, all ports and harbors, all transport and all inter-communication installations, facilities and equipment and such other installations or facilities and all such stocks as may be required by the United Nations will be made available in good condition by the competent Italian authorities with the personnel required for working them. The Italian Government will make available such other local resources or services as the United Nations may require.

20. Without prejudice to the provisions of the present instrument the United Nations will exercise all the rights of an occupying power throughout the territories or areas referred to in article 18, the administration of which will be provided for by the issue of proclamations, orders or regulations. Personnel of the Italian administrative, judicial and public services will carry out their functions under the control of the Allied Commander-in-Chief unless otherwise directed.

21. In addition to the rights in respect of occupied Italian territories described in articles 18 to 20,

(A) Members of the Land, Sea or air Forces and officials of the United Nations will have the right of passage in or over non-occupied Italian territory and will be afforded all the necessary facilities and assistance in performing their functions.

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(B) The Italian authorities will make available on non-occupied Italian territory all transport facilities required by the United Nations including free transit for their war material and supplies, and will comply with instructions issued by the Allied Commander-in-Chief regarding the use and control of airfields, ports, shipping, inland transport systems and vehicles, intercommunication systems, power stations and public utility services, oil refineries, stocks and such other fuel and power supplies and means of producing same, as United Nations may specify, together with connected repair and construction facilities.

22. The Italian Government and people will abstain from all action detrimental to the interests of the United Nations and will carry out promptly and efficiently all orders given by the United Nations.

23. The Italian Government will make available such Italian currency as the United Nations may require. The Italian Government will withdraw and redeem in Italian currency within such time-limits and on such terms as the United Nations may specify all holdings in Italian territory of currencies issued by the United Nations during military operations or occupation and will hand over the currencies withdrawn free of cost to the United Nations. The Italian Government will take such measures as may be required by the United Nations for the control of banks and business in Italian territory, for the control of foreign exchange and foreign commercial and financial transactions and for the regulation of trade and production and will comply with any instructions issued by the United Nations regarding these and similar matters.

24. There shall be no financial, commercial or other intercourse with or dealings with or for the benefit of countries at war with any of the United Nations or territories occupied by such countries or any other foreign country except under authorization of the Allied Commander-in-Chief or designated officials.

25.

(A) Relations with countries at war with any of the United Nations, or occupied by any such country, will be broken off. Italian diplomatic, consular and other officials and members of the Italian Land, Sea and Air Forces accredited to or serving on missions with any such country or in any other territory specified by the United Nations will be recalled. Diplomatic and consular officials of such countries will be dealt with as the United Nations may prescribe.

(B) The United Nations reserve the right to require the withdrawal of neutral diplomatic and consular officers from occupied Italian territory and to prescribe and lay down regulations governing the procedure for the methods of communication between the Italian Government and its representatives in neutral countries and regarding communications emanating from or destined for the representatives of neutral countries in Italian territory.

26. Italian subjects will pending further instructions be prevented from leaving Italian territory except as authorized by the Allied Commander-in- [illegible] of the countries or in any

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and efficiently all orders given by the United Nations.

23. The Italian Government will make available such Italian currency as the United Nations may require. The Italian Government will withdraw and redeem in Italian currency within such time-limits and on such terms as the United Nations may specify all holdings in Italian territory of currencies issued by the United Nations during military operations or occupation and will hand over the currencies withdrawn free of cost to the United Nations. The Italian Government will take such measures as may be required by the United Nations for the control of banks and business in Italian territory, for the control of foreign exchange and foreign commercial and financial transactions and for the regulation of trade and production and will comply with any instructions issued by the United Nations regarding these and similar matters.

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25.

(A) Relations with countries at war with any of the United Nations, or occupied by any such country, will be broken off. Italian diplomatic, consular and other officials and members of the Italian Land, Sea and Air Forces accredited to or serving on missions with any such country or in any other territory specified by the United Nations will be recalled. Diplomatic and consular officials of such countries will be dealt with as the United Nations may prescribe.

(B) The United Nations reserve the right to require the withdrawal of neutral diplomatic and consular officers from occupied Italian territory and to prescribe and lay down regulations governing the procedure for the methods of communication between the Italian Government and its representatives in neutral countries and regarding communications emanating from or destined for the representatives of neutral countries in Italian territory.

26. Italian subjects will pending further instructions be prevented from leaving Italian territory except as authorized by the Allied Commander-in-Chief and will not in any event take service with any of the countries or in any of the territories referred to in article 25 (A) nor will they proceed to any place for the purpose of undertaking work for any such country. Those at present so serving or working will be recalled as directed by the Allied Commander-in-Chief.

27. The Military, Naval and Air personnel and material and the merchant shipping, fishing and other craft and the aircraft, vehicles and other transport equipment of any country against which any of the United Nations is carrying on hostilities or which is occupied by any such country, remain liable to attack or seizure wherever found in or over Italian territory or waters.

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(A) The warships, auxiliaries and transports of any such country or occupied country referred to in article 27 in Italian or Italian occupied ports and waters and the aircraft, vehicles and other transport equipment of such countries in or over Italian or Italian occupied territory will, pending further instructions, be prevented from leaving.

(B) The Military, Naval and Air personnel and the civilian nationals of any such country or occupied country in Italian or Italian occupied territory will be prevented from leaving and will be interned pending further instructions.

(C) All property in Italian territory belonging to any such country or occupied country or its nationals will be impounded and kept in custody pending further instructions.

(D) The Italian Government will comply with any instructions given by the Allied Commander-in-Chief concerning the internment, custody or subsequent disposal, utilization or employment of any of the above-mentioned persons, vessels, aircraft, material or property.

29. BENITO MUSSOLINI, his Chief Fascist associates and all persons suspected of having committed war crimes or analogous offences whose names appear on lists to be communicated by the United Nations and who now or in the future are on territory controlled by the Allied Military Command or by the Italian Government will forthwith be apprehended and surrendered into the hands of the United Nations. Any instructions given by the United Nations for this purpose will be complied with.

30. All Fascist organizations, including all branches of the Fascist Militia (MVSN), the Secret Police, (OVRA), all Fascist youth organizations will insofar as this is not already accomplished be disbanded in accordance with the directions of the Allied Commander-in-Chief. The Italian Government will comply with all such further directions as the United Nations may give for abolition of Fascist institutions, the dismissal and internment of Fascist personnel, the control of Fascist funds, the suppression of Fascist ideology and teaching.

31. All Italian laws involving discrimination on grounds of race, color, creed or political opinions will insofar as this is not already accomplished be rescinded, and persons detained on such grounds will, as directed by the United Nations, be released and relieved from all legal disabilities to which they have been subjected. The Italian Government will comply with all such further directions as the Allied Commander-in-Chief may give for repeal of Fascist legislation and removal of any disabilities or prohibitions resulting therefrom.

32.

(A) Prisoners of war belonging to the forces of or specified by the United Nations and any nationals of the United Nations, including Abyssinian subjects, confined, interned, or otherwise under restraint in Italian or Italian-occupied territory will not be removed and will forthwith be handed over to

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instructions.

(C) All property in Italian territory belonging to any such country or occupied country or its nationals will be impounded and kept in custody pending further instructions.

(D) The Italian Government will comply with any instructions given by the Allied Commander-in-Chief concerning the internment, custody or subsequent disposal, utilization or employment of any of the above-mentioned persons, vessels, aircraft, material or property.

29. BENITO MUSSOLINI, his Chief Fascist associates and all persons suspected of having committed war crimes or analogous offences whose names appear on lists to be communicated by the United Nations and who now or in the future are on territory controlled by the Allied Military Command or by the Italian Government will forthwith be apprehended and surrendered into the hands of the United Nations. Any instructions given by the United Nations for this purpose will be complied with.

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32.

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(B) Persons of whatever nationality who have been placed under restriction, detention or sentence (including sentences in absentia) on account of their dealings or sympathies with the United Nations will be released under the direction of the United Nations and relieved from all legal disabilities to which they have subjected.

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(C) The Italian Government will take such steps as the United Nations may direct to safeguard the persons of foreign nationals and property of foreign nationals and property of foreign states and nationals.

33.

(A) The Italian Government will comply with such directions as the United Nations may prescribe regarding restitution, deliveries, services or payments by way of reparation and payment of the costs of occupation during the period of the present instrument.

(B) The Italian Government will give to the Allied Commander-in-Chief such information as may be prescribed regarding the assets, whether inside or outside Italian territory, of the Italian state, the Bank of Italy, any Italian state or semi-state institutions or Fascist organizations or residents in Italian territory and will not dispose or allow the disposal, outside Italian territory of any such assets except with the permission of the United Nations.

34. The Italian Government will carry out during the period of the present instrument such measures of disarmament, demobilization and demilitarization as may be prescribed by the Allied Commander-in-Chief.

35. The Italian Government will supply all information and provide all documents required by the United Nations. There shall be no destruction or concealment of archives, records, plans or any other documents or information.

36. The Italian Government will take and enforce such legislative and other measures as may be necessary for the execution of the present instrument. Italian military and civil authorities will comply with any instructions issued by the Allied Commander-in-Chief for the same purpose.

37. There will be appointed a control commission representative of the United Nations charged with regulating and executing this instrument under the orders and general directions of the Allied Commander-in-Chief.

38.

(A) The term "United Nations" in the present instrument includes the Allied Commander-in-Chief, the control commission and any other authority which the United Nations may designate.

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(B) The term "Allied Commander-in-Chief" in the present instrument includes the control commission and such other officers and representatives as the Commander-in-Chief may designate.

39. References to Italian Land, Sea and Air Forces in the present instrument shall be deemed to include Fascist Militia and all such other military or paramilitary units, formations or bodies as the Allied Commander-in-Chief may prescribe.

40. The term "War Material" in the present instrument denotes all material specified in such lists or definitions as may from time to time be

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in-Chief such information as may be prescribed regarding the assets, whether inside or outside Italian territory, of the Italian state, the Bank of Italy, any Italian state or semi-state institutions or Fascist organizations or residents in Italian territory and will not dispose or allow the disposal, outside Italian territory of any such assets except with the permission of the United Nations.

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2164

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39. References to Italian Land, Sea and Air Forces in the present instrument shall be deemed to include Fascist Militia and all such other military or paramilitary units, formations or bodies as the Allied Commander-in-Chief may prescribe.

40. The term "War Material" in the present instrument denotes all material specified in such lists or definitions as may from time to time be issued by the control commission.

41. The term "Italian Territory" includes all Italian colonies and dependencies and shall for the purposes of the present instrument (but without prejudice to the question of sovereignty) be deemed to include Albania. Provided however that except in such cases and to such extent as the United Nations may direct the provisions of the present instrument shall not apply in or affect the administration of any Italian colony or dependency already occupied by the United Nations or the rights or powers therein possessed or exercised by them.

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42. The Italian Government will send a delegation to the Headquarters of the control commission to represent Italian interests and to transmit the orders of the control commission to the competent Italian authorities.

43. The present instrument shall enter into force _____ hours after its signature. It will remain in operation until superseded by any other arrangements or until the voting into force of the peace treaty with Italy.

44. The present instrument may be denounced by the United Nations with immediate effect if Italian obligations hereunder are not fulfilled or, as an alternative, the United Nations may penalize contravention of it by measures appropriate to the circumstances such as the extension of the areas of military occupation or air or other punitive action.

The present instrument is drawn up in English and Italian, the English text being authentic, and in case of any dispute regarding its interpretation, the decision of the control commission will prevail.

Signed at MALTA on the 29th day of September 1943.

Marshal
PIETRO BADOGLIO
Head of the Italian Government

General, United States Army
Dwight D. EISENHOWER
Commander-in-Chief
Allied Forces

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Signed at MALTA on the 29th day of September 1943.

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PIETRO BADOGLIO
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Allied Forces

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AMENDED BY FAN. 624.

S E C R E T.

ADDITIONAL CONDITIONS OF ARMISTICE WITH ITALY.

COMMENT: The extent to which certain articles of the following agreement signed on behalf of the United Nations on the one hand and the Italian Government on the other have been implemented or modified is shown in italics under the relevant articles. The remaining articles have either been superceded by events and are therefore dormant, or are still in force. These articles are not commented upon.

(NOTE: Articles of armistice terms to be inserted above each applicable comment)

Article

1. Text of article.....
2. " " "
3. " " "
4. " " "
5. " " "

Were complied with.

6. Text of article.....
7. " " "
8. " " "
9. " " "
10. " " "
11. " " "
12. " " "

With the cooperation of the Italian Government, the Italian Armed Forces have been used to the maximum useful extent in the services of the United nations and have contributed materially towards the liberation of Italy and final victory. The Italian Navy has operated with Allied warships in the Mediterranean and elsewhere and since the cessation of hostilities has largely been employed in the Italian interests in mine sweeping and the transport of displaced persons. The Army fought alongside Allied formations during the campaign in Italy and the Air Force took its place with the Allied Air Forces.

13. Text of article.....

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dormant, or are still in force. These articles are not commented upon.

(NOTE: Articles of armistice terms to be inserted above each applicable comment)

Article

1. Text of article.....
2. " " "
3. " " "
4. " " "
5. " " "

Were complied with.

6. Text of article.....
7. " " "
8. " " "
9. " " "
10. " " "
11. " " "
12. " " "

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13. Text of article.....

No comments.

14. Text of article.....

While Italian merchant ships have been employed in the general interests of the United Nations, they have been primarily employed in the Italian interest. Italian inland transport and ports have now been largely returned to Italian administration except insofar as redeployment and maintenance of Allied Forces has had to be effected.

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Article

15. Text of article... .

The provisions of the article as regards small vessels and craft have not been fully satisfied owing to the difficulty of locating and identifying the vessels and craft concerned.

16. Text of article....

Control of radio has been returned to the Italian Government. All military and rehabilitated civilian telecommunications are being handed over to the Italians as military requirements decrease. Internal censorship has been abolished in the areas under Italian Government control.

17. Text of article....

No comments.

18. Text of article.....

The second sentence of this article has never been invoked except in two frontier areas, ie., on the Franco-Italian frontier and Venezia Giulia.

19. Text of article.....

Care has been taken to conserve, wherever possible, Italian resources for the use of the civil economy and to utilise local goods and services only when military necessity demanded.

The Allied Forces Local Resources Board, on the committees of which Italian representatives have sat, was established as the allocation agency. While the legal rights of the Allied Forces under this article have not been modified, in practice it has been administered with as much regard as possible for Italian needs. With the redeployment of Allied troops from Italy the utilisation of local resources and facilities is diminishing rapidly. In addition, large quantities of food, coal, clothing and other commodities have been imported into Italy by the United Nations, largely in United Nations ships, to supplement local resources and to alleviate distress.

20. Text of article.....

AMG was rigorously enforced in combat zones for obvious operational reasons. This was progressively relaxed as the battle moved forward until territories were handed [illegible] to Italian administration.

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17. Text of article.....

No comments.

18. Text of article.....

The second sentence of this article has never been invoked except in two frontier areas, ie., on the Franco-Italian frontier and Venezia Giulia.

19. Text of article.....

Care has been taken to conserve, wherever possible, Italian resources for the use of the civil economy and to utilise local goods and services only when military necessity demanded.

The Allied Forces Local Resources Board, on the committees of which Italian representatives have sat, was established as the allocation agency. While the legal rights of the Allied Forces under this article have not been modified, in practice it has been administered with as much regard as possible for Italian needs. With the redeployment of Allied troops from Italy the utilisation of local resources and facilities is diminishing rapidly. In addition, large quantities of food, coal, clothing and other commodities have been imported into Italy by the United Nations, largely in United Nations ships, to supplement local resources and to alleviate distress.

20. Text of article.....

AMG was rigorously enforced in combat zones for obvious operational reasons. This was progressively relaxed as the battle moved forward until territories were handed over wholly to Italian administration.

21. Text of article.....

As Allied forces are redeployed facilities are progressively being handed back to Italian control.

22. Text of article.....

With the declaration of war upon the Germans by the Italian Government in October 1943, there has never been any necessity to invoke this article.

Sheet 2.

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Article

23. Text of article.....

The Italian Government has been informed that the Allied Commission will no longer intervene in Italian internal financial affairs, except in cases of Allied military necessity, and that with certain exceptions in Italy's own interests the Italian Government need no longer obtain the approval of the Allied Commission prior to the execution of external financial transactions. The Italian Government are now free to fix to negotiate exchange rates for the lire without prior consultation with the Allied Commission.

24. Text of article.....

Private export trade may now be resumed and all types of commercial and financial correspondence may now go forward from Italy to the non-enemy world, subject to the Italian Government putting into force certain trade control measures similar to those employed by the United Nations, against enemy interests.

25. Text of article.....

No comments.

26. Text of article.....

This article is no longer enforced and provided an individual has the necessary civil documents such as passport, visa, etc., there is nothing to prevent him leaving Italian territory, subject of course to the immigration laws and regulations of the countries of intended destination.

27. Text of article.....

No comments.

7 2162

28. Text of article.....

No comments.

29. Text of article.....

No comments.

30. Text of article.....

31. Text of article.....

The Italian Government has of its own volition done all that would have been required.

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Commission.

24. Text of article.....

Private export trade may now be resumed and all types of commercial and financial correspondence may now go forward from Italy to the non-enemy world, subject to the Italian Government putting into force certain trade control measures similar to those employed by the United Nations, against enemy interests.

25. Text of article.....

No comments.

26. Text of article.....

This article is no longer enforced and provided an individual has the necessary civil documents such as passport, visa, etc., there is nothing to prevent him leaving Italian territory, subject of course to the immigration laws and regulations of the countries of intended destination.

27. Text of article.....

No comments.

7 2102

28. Text of article.....

No comments.

29. Text of article.....

No comments.

30. Text of article.....

31. Text of article.....

The Italian Government has of its own volition done all that would have been required.

32. Text of article.....

This article has been complied with and is in the case of clauses (a) and (b) no longer applicable. As regards clause (c), the Italian Government has cooperated loyally in carrying out such instructions as have been given concerning the conservation and administration of United Nations property in Italy previously sequestrated by the Italian Government.

Sheet 3.

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Article

33. Text of article.....

The part of clause 33 (b) that deals with the disposal of foreign assets has been modified in favour of the Italian Government. (See under Article 23).

34. Text of article.....

No comments.

35. Text of article.....

No comments.

36. Text of article.....
37. Text of article.....

The execution of these clauses has been modified by the Macmillan Aide Memoir of 24 February 1945.

38. Text of article.....

No comments.

39. Text of article.....

No comments.

40. Text of article.....

No comments.

41. Text of article.....

In practice the Armistice conditions have not been applied to ALBANIA or to any former Italian territories overseas.

42. Text of article.....

No comments.

43. Text of article.....

No comments.

44. Text of article.....

No comments.

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MEMORANDUM OF AGREEMENT OF 23 SEPTEMBER 1943 ON THE EMPLOYMENT AND DISPOSITION OF THE ITALIAN FLEET AND MERCANTILE MARINE BETWEEN THE ALLIED NAVAL COMMANDER IN CHIEF, MEDITERRANEAN, ACTING ON BEHALF OF THE ALLIED COMMANDER IN CHIEF AND THE ITALIAN MINISTER OF MARINE AS AMENDED BY PROTOCOL OF 17 NOVEMBER 1943

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1. The armistice having been signed between the Head of the Italian Government and the Allied Commander-in-Chief under which all Italian warships and the Italian Mercantile Marine were placed unconditionally at the disposal of the United Nations, and H.M. The King of Italy and the Italian Government having since expressed the wish that the Fleet and the Italian Mercantile Marine should be employed in the Allied effort to assist in the prosecution of the war against the Axis powers, the following principles are established on which the Italian Navy and Mercantile Marine will be disposed.

It is understood and agreed that the provisions of this Agreement as to immediate employment and disposition of Italian warships and merchant ships do not affect the right of the United Nations to make such other dispositions of any or all Italian ships as they may think fit. Their decisions in this respect will be notified to the Italian Government from time to time.

(A) Such ships as can be employed to assist actively in the Allied effort will be kept in commission and will be used under the orders of the Commander-in-Chief, Mediterranean, as may be arranged between the Allied Commander-in-Chief and the Italian Government.

(B) Ships which cannot be so employed will be reduced to a care and maintenance basis and be placed in designated ports, measures of disarmament being undertaken as may be necessary.

(C) The Government of Italy will declare the names and whereabouts of

(i) Warships
(ii) Merchant ships

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now in their possession which previously belonged to any of the United Nations. These vessels are to be returned forthwith as may be directed by the Allied Commander-in-Chief. This will be without prejudice to negotiations between the Governments which may subsequently be made in connection with replacing losses of ships of the United Nations caused by Italian action.

(D) The Allied Naval Commander-in-Chief will act as the agent of the Allied Commander-in-Chief in all matters concerning the employment of the Italian Fleet or Merchant Navy, their disposition and related matters.

...extent to which the terms

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expressed the wish that the Fleet and the Italian Mercantile Marine should be employed in the Allied effort to assist in the prosecution of the war against the Axis powers, the following principles are established on which the Italian Navy and Mercantile Marine will be disposed.

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(A) Such ships as can be employed to assist actively in the Allied effort will be kept in commission and will be used under the orders of the Commander-in-Chief, Mediterranean, as may be arranged between the Allied Commander-in-Chief and the Italian Government.

(B) Ships which cannot be so employed will be reduced to a care and maintenance basis and be placed in designated ports, measures of disarmament being undertaken as may be necessary.

(C) The Government of Italy will declare the names and whereabouts of

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2161

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(D) The Allied Naval Commander-in-Chief will act as the agent of the Allied Commander-in-Chief in all matters concerning the employment of the Italian Fleet or Merchant Navy, their disposition and related matters.

(E) It should be clearly understood that the extent to which the terms of the armistice are modified to allow of the arrangements outlined above and which follow, are dependent upon the extent and effectiveness of Italian co-operation.

2. Method of Operation. The Commander-in-Chief, Mediterranean, will place at the disposal of the Italian Ministry of Marine a high ranking Naval officer with the appropriate staff who will be responsible to the Commander-in-Chief, Mediterranean, for all matters in connection with the operation of the Italian Fleet, and be the medium through which dealings will be carried out in connection with the Italian Mercantile Marine. The Flag Officer acting for these duties

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(Flag Officer Liaison), will keep the Italian Ministry of Marine informed of the requirements of the Commander-in-Chief, Mediterranean, and will act in close co-operation as regards issue of all orders to the Italian Fleet.

3. Proposed disposition of the Italian Fleet.

(a) All battleships will be placed on a care and maintenance basis in ports to be designated and will have such measures of disarmament applied as may be directed. These measures of disarmament will be such that the ships can be brought into operation again if it so seems desirable. Each ship will have on board a proportion of Italian Naval personnel to keep the ships in proper condition and the Commander-in-Chief, Mediterranean, will have the right of inspection at any time.

(b) Cruisers. Such cruisers as can be of immediate assistance will be kept in commission. At present it is visualized that one squadron of four cruisers will suffice and the remainder will be kept in care and maintenance as for the battleships but at a rather greater degree of readiness to be brought into service if required.

(c) Destroyers and Torpedo Boats. It is proposed to keep these in commission and to use them on escort and similar duties as may be requisite. It is proposed that they should be divided into escort groups working as units and that they should be based on Italian ports.

(d) Small Craft. M.A.S., Minesweepers, auxiliaries and similar small craft will be employed to the full, detailed arrangements being made with the Flag Officer (Liaison) by the Italian Ministry of Marine for their best employment.

(e) Submarines. In the first instance submarines will be immobilized in ports to be designated and at a later date these may be brought into service as may be required to assist the Allied effort.

4. Status of Italian Navy. Under this modification of the armistice terms, all the Italian ships will continue to fly their flags. A large proportion of the Italian Navy will thus remain in active commission operating their own ships and fighting alongside the forces of the United Nations against the Axis Powers.

The requisite liaison officers will be supplied to facilitate the working of the Italian ships in co-operation with allied forces. A small Italian liaison mission will be attached to the Headquarters of the Commander-in-Chief, Mediterranean, to deal with matters affecting the Italian Fleet.

5. Mercantile Marine. It is the intention that the Italian Mercantile Marine should operate under the same conditions as the merchant ships of the Allied Nations. That is to say, all mercantile shipping of the United Nations is [illegible] which is employed as may be considered necessary for the [illegible] naturally be included the

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(b) Cruisers. Such cruisers as can be of immediate assistance will be kept in commission. At present it is visualized that one squadron of four cruisers will suffice and the remainder will be kept in care and maintenance as for the battleships but at a rather greater degree of readiness to be brought into service if required.

(c) Destroyers and Torpedo Boats. It is proposed to keep these in commission and to use them on escort and similar duties as may be requisite. It is proposed that they should be divided into escort groups working as units and that they should be based on Italian ports.

(d) Small Craft. M.A.S., Minesweepers, auxiliaries and similar small craft will be employed to the full, detailed arrangements being made with the Flag Officer (Liaison) by the Italian Ministry of Marine for their best employment.

(e) Submarines. In the first instance submarines will be immobilized in ports to be designated and at a later date these may be brought into service as may be required to assist the Allied effort.

4. Status of Italian Navy. Under this modification of the armistice terms, all the Italian ships will continue to fly their flags. A large proportion of the Italian Navy will thus remain in active commission operating their own ships and fighting alongside the forces of the United Nations against the Axis Powers.

The requisite liaison officers will be supplied to facilitate the working of the Italian ships in co-operation with allied forces. A small Italian liaison mission will be attached to the Headquarters of the Commander-in-Chief, Mediterranean, to deal with matters affecting the Italian Fleet.

5. Mercantile Marine. It is the intention that the Italian Mercantile Marine should operate under the same conditions as the merchant ships of the Allied Nations. That is to say, all mercantile shipping of the United Nations is formed into a pool which is employed as may be considered necessary for the benefit of all the United Nations. In this will naturally be included the requirements for the supply and maintenance of Italy. The system will be analogous to that used in North Africa, where the North Africa Shipping Board controls all United States, British and French shipping under certain agreements which will have to be arranged in detail in so far as Italian ships are concerned. While it may be expected that a proportion of Italian ships will be working within the Mediterranean and to and from Italian ports, it must be appreciated that this will not always necessarily be the case and ships flying the Italian flag may be expected to be used elsewhere as is done with the merchant ships of all the United Nations. Italian ships employed as outlined in this paragraph will be manned so far as possible by crews provided by Italian Ministry of Marine and will fly the Italian flag.

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COMMENTS ON THE CUNNINGHAM-de COURTEN AGREEMENT.

1. As explained within the terms, this agreement was produced in modification of the Armistice Terms in order that the Italian Fleet and Mercantile Marine could assist in the prosecution of the war against the Axis Powers.

2. The additions to the agreement were inserted at the Allied request after the original agreements had been concluded and were accepted on the Italian side in view of an amelioration of certain articles in original terms of the Armistice. Signature was accompanied by the formal statement of Admiral de Courten printed above.

3. The provisions of this agreement have been carried out and those provisions which remain operative with the cessation of hostilities are still being carried out. Furthermore, many Italian warships are undertaking work of direct benefit to the Italians themselves, e.g. transport of displaced persons.

4. While the employment of Italian ships has been of use to the United Nations it is pointed out that considerable United Nations resources have been expended in Italy to help the Italian Government in keeping Italian ships running and the crews fed and clothed.

5. In addition to the use of the Italian Mercantile Marine shipping, under this agreement a number of smaller Italian merchant ships have been returned to the control of the Italian authorities.

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23 nov 1943

Mr President:

I should be very grateful to you, Mr President, if you would find time and leisure to consider some brief considerations on the amendment regarding the armistice and the naval clauses which I, as head of the Italian government and Admiral DeCourten, as Minister of the Navy, have found ourselves in the harsh necessity of being obliged to sign today, after having in vain suggested a modi _ fication which, in our opinion, would have been without doubt more in keeping with the de jure and de facto situation now existing between our countries.

I shall sum up my thought briefly:

The armistice signed by General Castellano on the 3d of Septem ber by my order contained no clause which referred to the surrender of Italy. They were, as you know, principally military clauses. At that time I was told that later further clauses would be presented to me but only civil ones.

On the 29th of September when on our part we had already given loyal execution to all the terms of the armistice and when, with the fu approval of the Anglo-American mission, the phase of real collaboratio had begun, I was compelled, at Malta, to sign the additional clauses which altered and made more burdensome (~~lit. "aggravated"~~) the conditions of the armistice signed the 3d of September, and which were entitled "Unconditional surrender of Italy."

On my remonstrance General Eisenhower pledged himself to present to the Allied governments the reason for my disagreement and to propose to them the cancellation of various sentences especially and needlessly harmful to the good name of the new Italy and prejudicial, in my opinion to the common cause which it was and is my firm purpose to maintin with all means at my disposal.

General Eisenhower in fact wrote me - among other things - what follows (letter dated 29 September):

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And even more explicitly the Head of the Allied Mission assured me formally and in writing on Oct 17:

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However and notwithstanding the further xxxxxxxx transition from cooperation to cobelligerency ~~nor~~ the assurances I had been given, the document was returned to me corrected in part but still containing th word "surrender" which xxxxxx did not occur in the original clauses.

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Similarly too for the naval conditions.

On the 23d of September this question was discussed exhaustively and at length ~~xxxxx~~ by Admiral Cunningham and Admiral DeCourten and brought to a conclusion agreed upon by both parties.

Now, more than thirty days after, a new document is presented to me, a new amendment in which there is ~~xxxxxxx~~ finally conceded the cancellation - previously promised and announced - of the words which had occasioned my remonstrances, ~~x~~ but, at the same time, ~~xxxxxxxxxx~~ ~~xxxxxxxxxxxxxxxxxxxxxxxxxxxxxx~~ signature by the Allies is conditioned on our acceptance of another naval clause which ~~xxxx~~ turns again on a matter already agreed upon after discussion and weighs heavily on the position of Italy.

I have been compelled, I repeat, to sign this amendment which I neverthless hope you will be able to ~~xxxxxxxxx~~ have reexamined on the basis of the modification suggested by me.

May I be allowed to point out that at this time three quarters of the Italian naval forces are collaborating with the naval forces of the Allies; that Italian forces have fought in Sardinia ~~xxxxxxxx~~ and in Corsica; that Italian forces are fighting in the Aegean islands at the side of ~~xxxxxx~~ English forces; that Italian forces are fighting, under particularly hard and trying circumsatnces, in Croatia, Montenegro and Greece in unity with Greeks and Serbs; that our patriots are fighting in Northern Italy, in desperate conditions, against the Germans and are sabotaging lines of communication and supply.

May I be allowed also to recall that in the liberated zone we have not only complied with all the requests of the Allies but we have continued to insist that our troops take part in the liberation of the country - a plea that has been ~~xxxxxxxxxxxxxxx~~ finally granted in part.

My Government which, in its present temporary formation, ensures, in my opinion under present circumstances ~~xxxx~~ those guarantees of order and stability which it is in your interest to maintain, and which as you know must be replaced as soon as Rome is reached, by ~~xxxxxx~~ another which may better and more completely represent the new Italy, my government, born as it was among the difficulties of war and extremely difficult domestic conditions, watches with ~~xxxx~~ a certain bitterness this progressive and constant aggravation of conditions already discussed and agreed upon by the Allied governments. It finds some difficulty in understanding this, deprived ~~xx~~ as it is of communications, of any source of information in the outside world, without direct contact with the tens of millions of Italians who live abroad or with its represntatives in other countries, without, in a word, those ~~xxxxxxxxxxxxxxx~~ elementary attributes of liberty which on our part we yet intend to introduce into our country.

And it is for ~~xxxx~~ this reason that I permit myself to turn ~~xxxxxx~~ directly to you, Mr President, because, being aware above all of the numerous, grave and painful difficulties which beset the Italian nation, of the firm purpose of my government and myself to fight at your side

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against the common enemy; of my desire to give the country those free democratic institutions which form your strength, you may continue to find inspiration for your actions in our regard in those standards of human equity of which you undoubtedly are among the greatest and most respected champions in the world.

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LETTER from MARSHALL PIETRO BAGODLIO to:
President ROOSEVELT and Prime Minister CHURCHILL.

20 November 1943.

Mr. President:

I should be very grateful to you, Mr President, if you would find time and leisure to consider some brief considerations on the amendment regarding the armistice and the naval clauses which I, as head of the Italian government and Admiral De Courten, as Minister of the Navy, have found ourselves in the harsh necessity of being obliged to sign today, after having in vain suggested a modification which, in our opinion, would have been without doubt more in keeping with the de jure and de facto situation now existing between our countries.

I shall sum up my thought briefly:

The armistice signed by General Castellano on the 3rd of September by my order dontained no clause which referred to the surrender or Italy. They were, as you know, principally military clauses. At that time I was told that later further clauses would be presented to me but only civil ones.

On the 29th of September when on our part we had already given loyal execution to all the terms of the armistice and when, with the full approval of the Anglo-American mission, the phase of real collaboration had begun, I was compelled, at Malta, to sign the additional clauses which altered and made more burdensome the conditions of the armistice signed the 3rd of September, and which were entitled "Unconditional surrender of Italy."

On my remonstrance General Eisenhower pledged himself to present to the Allied governments the reason for my disagreement and to propose to them the cancellation or various sentences particularly and needlessly harmful to the good name of the new Italy and prejudicial, in my opinion to the common cause which it was and is my firm purpose to maintain with all means at my disposal.

General Eisenhower in fact wrote me - among other things - what follows (letter dated 29 September):

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And even more explicitly the Head of the Allied Mission assured me formally and in writing on Oct 17:

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However and notwithstanding the further transition from cooperation to cobelligerency and the assurances I had been given, the document was returned to me corrected in part but still containing the word "surrender" which did not occur in the original clauses.

Similarly too for the naval conditions.

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The armistice signed by General Castellano on the 3rd of September by my order dontained no clause which referred to the surrender of Italy. They were, as you know, principally military clauses. At that time I was told that later further clauses would be presented to me but only civil ones.

On the 29th of September when on our part we had already given loyal execution to all the terms of the armistice and when, with the full approval of the Anglo-American mission, the phase of real collaboration had begun, I was compelled, at Malta, to sign the additional clauses which altered and made more burdensome the conditions of the armistice signed the 3rd of September, and which were entitled "Unconditional surrender of Italy."

On my remonstrance General Eisenhower pledged himself to present to the Allied governments the reason for my disagreement and to propose to them the cancellation of various sentences particularly and needlessly harmful to the good name of the new Italy and prejudicial, in my opinion to the common cause which it was and is my firm purpose to maintain with all means at my disposal.

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Similarly too for the naval conditions.

On the 23rd of September this question was discussed exhaustively and at length by Admiral Cunningham and Admiral DeCourten and brought to a conclusion agreed upon by both parties.

Now, more than thirty days after, a new document is presented to me, a new amendment in which there is finally conceded the cancellation - previously promised and announced - of the words which had occasioned my remonstrances, but, at the same time, signature by the Allies is conditioned on our acceptance of another naval clause which turns again on a matter already agreed upon after discussion and weighs heavily on the position of Italy.

I have been compelled, I repeat, to sign this amendment which I nevertheless hope you will be able to have reexamined on the basis of the modification suggested by me.

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May I be allowed to point out that at this time three quarters of the Italian naval forces are collaborating with the naval forces of the Allies; that Italian forces have fought in Sardinia and in Corsica; that Italian forces are fighting in the Aegean islands at the side of English forces; that Italian forces are fighting, under particularly hard and trying circumstances, in Croatia, Montenegro and Greece in unity with Greeks and Serbs; that our patriots are fighting in Northern Italy, in desperate conditions, against the Germans and are sabotaging lines of communications and supply.

May I be allowed also to recall that in the liberated zone we have not only complied with all the requests of the Allies but we have continued to insist that our troops take part in the liberation of the country - a plea that has been finally granted in part.

My Government which, in its present temporary formation, ensures, in my opinion under present circumstances those guarantees of order and stability which it is in your interest to maintain, and which as you know must be replaced as soon as Rome is reached, by another which may better and more completely represent the new Italy, my government, born as it was among the difficulties of war and extremely difficult domestic conditions, watches with a certain bitterness this progressive and constant aggravation of conditions already discussed and agreed upon by the Allied governments. It finds some difficulty in understanding this, deprived as it is of communications, of any source of information in the outside world, without direct contact with the tens of millions of Italians who live abroad or with its representatives in other countries, without, in a word, those elementary attributes of liberty which on our part we yet intend to introduce into our country.

And it is for this reason that I permit myself to turn directly to you, Mr President; in order that being aware above all of the numerous, grave and painful difficulties which beset the Italian nation, of the firm purpose of my government and myself to fight at your side against the common enemy; of my desire to give the country those free democratic institutions which form your strength, you may continue to find in-spiration for your actions in our regard in those standards of human equity of which you undoubtedly are among the greatest and most respected champoins in the world.

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(Lettera del Maresciallo Badoglio
al Presidente Roosevelt e al Primo Ministro Churchill)

20 novembre 1943.

Signor Presidente,

Vi sarei molto grato, Signor Presidente, se vorrete trovar tempo e modo di esaminare alcune brevi considerazioni sull'emendamento riguardante l'armistizio e le clausole navali che io, come Capo del Governo italiano, e l'Ammiraglio De Courten, come Ministro della Marina, ci siamo trovati nella dura necessita' di dover firmare oggi, dopo aver invano proposto una modificazione che, a nostro avviso, sarebbe stata indubbiamente piu' rispondente alla situazione di diritto e di fatto attualmente esistente fra i nostri Paesi.

Riassumo in breve il mio pensiero:

L'armistizio firmato per mio ordine il 3 settembre dal Generale Castellano non conteneva alcuna clausola che accennasse alla resa dell'Italia. Erano, come Voi sapete, clausole prevalentemente militari. Mi fu detto allora che, in seguito, mi sarebbero state presentate ulteriori clausole, ma soltanto civili.

Il 29 settembre, quando gia' avevamo da parte nostra dato leale esecuzione a tutte le disposizioni dell'armistizio e quando era stata gia' iniziata, con la piena approvazione della Missione anglo-americana, la fase della vera e propria collaborazione, fui costretto, a Malta, a firmare le clausole aggiuntive che alteravano e aggravavano le condizioni dell'armistizio firmato il 3 settembre e che avevano per titolo "resa incondizionata dell'Italia".

Dinanzi alle mie rimostranze, il Generale Eisenhower si impegno' peraltro a rappresentare ai Governi alleati le ragioni del mio contrasto e a proporre loro la cancellazione di diverse frasi specialmente ed inutilmente lesive per il buon nome della nuova Italia e pregiudizievoli, a mio avviso, alla causa comune che era ed e' mio fermissimo proposito di sostenere con ogni mezzo a mia disposizione.

Il Generale Eisenhower del resto, in data del 29 settembre, mi scriveva fra l'altro quanto segue: 2134

"The supplementary terms of the Armistice are based upon the situation obtaining prior to the cessation of hostilities. Developments since that time have altered considerably the status of Italy, which has become in effect a co-operator with the United Nations.

It is fully recognized by the Governments on whose behalf I am acting that these terms are in some respects superseded by subsequent events and that several of the clauses have become obsolescent."

E ancora piu' esplicitamente il 17 ottobre scorso il Capo della Missione Alleata mi assicurava formalmente per iscritto: "In confirmation of the

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ficazione che, a nostro avviso, sarebbe stata indubbiamente piu' rispondente alla situazione di diritto e di fatto attualmente esistente fra i nostri Paesi.

Riassumo in breve il mio pensiero:

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It is fully recognized by the Governments on whose behalf I am acting that these terms are in some respects superseded by subsequent events and that several of the clauses have become obsolescent."

E ancora piu' esplicitamente il 17 ottobre scorso il Capo della Missione Alleata mi assicurava formalmente per iscritto: "In confirmation of the statement which I have already made to you orally, I have the honor to inform you that the American, British and Soviet Governments have approved the amendments to the document containing the Long Armistice terms which you desired."

Comunque, e nonostante l'ulteriore passaggio dalla cooperazione alla cobelligeranza e le assicurazioni datemi, il documento mi venne restituito corretto in parte, ma tuttora contenente la parola "resa", non esistente nelle clausole primitive.

Cosi' avvenne anche per le condizioni navali.

Il 23 settembre quest'ultima questione fu lungamente ed esaurientemente discussa fra l'Ammiraglio Cunningham e l'Ammiraglio De Courten e portata ad una conclusione concordata fra le due Parti.

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Ora, a piu' di 30 giorni di distanza, mi si presenta un nuovo emendamento in cui si concede finalmente la promessa e annunziata cancellazione delle parole che avevano dato motivo alle mie rimostranze, ma, insieme, si condiziona la sua firma da parte Alleata all'accettazione da parte nostra di una ulteriore clausola navale, che torna ancora una volta su una materia gia' concordata e discussa e aggrava sensibilmente la posizione dell'Italia.

Sono stato costretto, ripeto, a firmare tale emendamento, che spero tuttavia, Signor Presidente, vogliate trovar modo di far riesaminare sulla base della modificazione da me presentata.

Mi sia lecito ricordare che in questo periodo i tre quarti delle forze navali italiane collaborano con le forze navali alleate; che forze italiane si sono battute in Sardegna ed in Corsica contro i tedeschi; che forze italiane si battono nelle isole dell'Egeo insieme a forze inglesi; che forze italiane si battono, in condizioni particolarmente dure e difficili, in Croazia, Montenegro, Grecia insieme a Greci e Serbi; che nostri patrioti si battono in Alta Italia, in condizioni disperate, contro i germanici e ne sabotano le linee di comunicazione e di rifornimento.

Mi sia lecito altresi' ricordare che, nella zona liberata, non solo abbiamo soddisfatto a tutte le richieste degli alleati, ma abbiamo anche insistito sempre perche' nostre truppe possano concorrere alla liberazione del Paese, cio' che ci e' stato infine parzialmente concesso.

Il mio Governo che, nella sua presente temporanea formazione, assicura, a mio giudizio, nelle circostanza attuali, quelle garenzie d'ordine e di stabilita' che e' interesse nostro e Vostro mantenere, e che dovra' del resto, come Voi sapete, essere sostituito, appena giunti a Roma, da altri che meglio e piu' compiutamente rappresentino la nuova Italia, nata faticosamente fra difficolta' di guerra ed interne estremamente dure, vede dunque con qualche amarezza questo progressivo e costante aggravarsi di condizioni gia' discusse e concordate da parte dei Governi alleati. E di cio' stenta veramente a rendersi conto privo com'e' di comunicazioni, di qualunque fonte di informazione col mondo esterno, di contatti diretti con le decine di milioni di italiani che vivono oltre confine e con le sue Rappresentanze all'estero, senza cioe' quegli elementari attributi di liberta' che pur intendiamo da parte nostra introdurre lealmente nell'interno del Paese.

Ed e' per questo, Signor Presidente, ch'io mi permetto di rivolgermi direttamente a Voi perche', temendo soprattutto conto delle molte, gravi dolorose difficolta' che la Nazione italiana attraversa; del fermissimo proposito mio e del mio Governo di battersi al Vostro fianco contro il nemico comune; della mia volonta' di dare al Paese quelle libere istituzioni democratiche che sono la Vostra forza, vogliate continuare ad ispirare la Vostra azione nei nostri confronti a quei criteri di umana equita' di cui Voi indubbiamente siete fra i piu' grandi e rispettati assertori nel mondo.

BADOGLIO

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STATEMENT BY ADMIRAL DE COURTEN ON 17 NOVEMBER 1943

"By order of his excellency, Marshal Badoglio, Chief of the Government, I have signed the clauses added to the preamble and to the last paragraph of the Cunningham-De Courten agreement, which were requested by the Allied Governments as conditions of the signature of the amendments to the armistice.

In signing, I request that note be taken of the following statement: "I believe it my duty to make clear that the request for the insertion of these clauses, put forth less than 2 months after the meeting with Sir Andrew Cunningham, then Commander-in-Chief of the Allied Mediterranean fleet, alters the spirit of the agreement concluded between Admiral Cunningham and me. The clauses of this agreement had been put forward on accordance with the armistice, by Admiral Cunningham himself, who invited me to examine them and make known to them my observations and comments. In as much as there was complete agreement in regard to the text presented by the Allies, and as the agreement has up to now been carried out in the widest and most complete manner without opposition either in letter or spirit, I did not and do not have any reason to believe it should be modified and completed by a subsequent safeguarding clause. This clause seems to be at odds with the active collaboration given up to now by the Italian Navy and with visible demonstration of the loyalty with which the Italian fleet is contributing to the utmost to the conduct of the war against the common enemy in the spirit of existing co-belligerency."

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Declassified E.O. 12356 Section 3.3/NND No. 785015

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STATEMENT BY ADMIRAL DE COURTEN ON 17 NOVEMBER 1943

"By order of his excellency, Marshal Badoglio, Chief of the Government, I have signed the clauses added to the preamble and to the last paragraph of the Cunningham-De Courten agreement, which were requested by the Allied Governments as conditions of the signature of the amendments to the armistice.

In signing, I request that note be taken of the following statement: "I believe it my duty to make clear that the request for the insertion of these clauses, put forth less than 2 months after the meeting with Sir Andrew Cunningham, then Commander-in-Chief of the Allied Mediterranean fleet, alters the spirit of the agreement concluded between Admiral Cunningham and me. The clauses of this agreement had been put forward on accordance with the armistice, by Admiral Cunningham himself, who invited me to examine them and make known to them my observations and comments. In as much as there was complete agreement in regard to the text presented by the Allies, and as the agreement has up to now been carried out in the widest and most complete manner without opposition either in letter or spirit, I did not and do not have any reason to believe it should be modified and completed by a subsequent safeguarding clause. This clause seems to be at odds with the active collaboration given up to now by the Italian Navy and with visible demonstration of the loyalty with which the Italian fleet is contributing to the utmost to the conduct of the war against the common enemy in the spirit of existing co-belligerency."

SECRET

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HEADQUARTERS ALLIED CONTROL COMMISSION
APO 394

RED/afe

SG 321

22 April 1944

MEMORANDUM TO: All Concerned

SUBJECT: Classification of Conference Minutes

The matter contained on pages 8 and 9 (Section II A, B, and C), Reports of the Navy, Army and Air Sub-Commissions, in the Minutes of the Monthly Conference of 14 April 1944 are classified as "SECRET" and will be so treated by all holders.

For the Chief Commissioner:

ROBERT E. DOE
Major, A.G.D.
Secretary General

DISTRIBUTION:
1 - CC
1 - DCC
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1 - ea Reg. Com.
7 - PRD
1 - G Army AAG
1 - 5 Army AAG
4 - AGS, AFHQ

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HEADQUARTERS ALLIED CONTROL COMMISSION
APO 394

MONTHLY CONFERENCE 14 APRIL 1944

The Conference was opened at 0930 hours by the Chief Commissioner, Lieutenant General Sir Noel Mason MacFarlane, who welcomed the Regional Commissioners, guests, and members of the Advisory Council. General MacFarlane pointed out that the Commission is still suffering "growing pains" in the third month of its present incarnation, but stated that he is quite pleased with the manner in which the problems are being sorted out and tackled. Sincere appreciation was given for work well done, both in the Regions and at Headquarters, which show that the organization has begun to pull together as a team.

The Chief Commissioner commented that the Commission was a sort of "Cinderella" in its present position; some people had written considerable criticism of us. He stated that constructive criticism would be very gladly welcomed. A fitting end to the Cinderella story would be in the glass factory at Venice.

In closing the Chief Commissioner pointed out that the conferences gave the Commission a chance to get tabloid expression of problems and the ways ACC was trying to deal with them.

I. REPORTS BY REGIONAL CONTROL AND MILITARY GOVERNMENT SECTION.

A. Regional Commissioner, Region I (Sicily), Lt Col A. H. Hancock.

1. There has been considerable activity in the Region.

2. Marshal Badoglio visited Catania and Messina in order to institute Musotto as High Commissioner. His earnestness and sincerity impressed everyone wherever he went; it is thought he stands a good chance of becoming the "grand old man of Italy." Signor Reale was also a visitor to Sicily.

3. It is noted that the Separatist movement is not dead. Now that there is freedom of speech and press, it is necessary to frame a policy in regard to the future of this movement.

4. Dr. Pano, Minister of Telecommunications and Posts, visited the Island. Communication has been extended to the Mainland and is operating between all communes. Since 16 March Sicilian railways have been devoted to civilian transportation. Repair of railway between Catania - Messina and Messina - Palermo is recommended 2146 would relieve Messina from its semi-isolation.

5. Regarding the distribution of food, the black market supply is low. Allotments of wheat are erroneous, since they are based on reports that 50% of the population grow their own, whereas only 17% are engaged in agriculture. It is recommended that the monthly allotment of wheat to Sicily be increased and price of bread raised, which would improve the present situation. The present low price is maintained by a subsidy which seems impossible to maintain because of lack of tax income.

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6. Crime and public safety show slight improvement in spite of several uprisings. A plea was made to Interior Sub-Commission to give juridical powers under Italian Government to Public Health, Public Welfare and Public Safety Institutions formed by AMG together with an assurance of continuation.

7. The collaboration of sub-commissions was requested to assure closer cohesion between Ministries and High Commissioner for Sicily. Ministries have been communicating direct with the Prefects.

8. The Ministries have been duplicating public officials; that is, making appointments when AMG nominees were already in office, which is contrary to the terms of transfer.

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9. The Italian press has been encouraging displaced nationals to register for eventual return to previous domicile in Tripolitania, Cirenaica, and North Africa.

10. A Royal Decree suspends for 1944 State exams for doctors, veterinary surgeons and other professions but allows candidates to practice. This was noted as a dangerous practice.

11. Sulphur exports to U.K. for the month have been 10,000 tons.

12. The first group of refugees numbering 1,054 reached Syracuse during the Easter period.

Comments by Chief Commissioner: The Chief Commissioner referred to the question of central organization with High Commissioner stating that he had spoken to Marshal Badoglio who is in favor of carrying on as formerly with AMG. General MacFarlane also asked about the disturbance connected with French troops in Trapani. There was nothing further to report at the time on this matter.

B. Regional Commissioner, Region II (Southern Italy), Lt Col G. H. McCaffrey.

1. The situation is unsatisfactory. Popular opinion is still strongly with the Allies but against the Badoglio Government. The people will neither cooperate nor help; they only do so because of our support.

2. In Matera Province the prosecution of several cases was necessary in order to force the amassing of grain. Often instructions from the Ministries will vary thereby giving excuses for delay in work.

3. There are three groups of subversive Fascists in the Region, but it is believed they are being successfully dealt with by police and counter espionage agents.

4. The Minister of the Interior has undertaken to remove three AMG Prefects, and he has also shown his desire to reinstate Fascist Prefects.

5. Regarding de-Fascistization the following removals have been made: 13 in Bari, none since December in Brindisi, none in Lecce, 50 in Foggia. After much hard work in removing Fascists under AMG, the Ministries have been putting back in office one by one those removed under AMG. This is bringing complaints from the Italian population. The Fascist youth organization GIL is being revived, only it is now called GI.

6. Policing is in good order, there having been but few disturbances and no violent ones.

7. The 200 grm bread ration has been retained; medical supplies have been coming in good and hospitals functioning well.

8. While the refugee situation has been improving, Italian families object to more people being pushed in on them, and there is further objection from the refugees themselves as to their families being split up. Good reception centers are functioning in several provinces. Morale has rapidly improved.

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9. The crop situation looks very encouraging. The wheat crops should be favorable if proper rainfall is forthcoming. It is important to decide now on a policy in regard to amassing of wheat.

Comments by Chief Commissioner: The Chief Commissioner commented on the gloomy Fascist picture painted by Colonel McCaffrey by stating that it was the Advisory Council appointed by the Moscow Conference which suggested that the portion of Southern Italy should be handed back to Southern administration. It is AGC's job to make it run in the best possible way. General MacFarlane further pointed out that the Communist Party's acceptance of the Badoglio Government may help the present attitude toward this government by broadening its base.

Colonel McCaffrey, when asked what could be done to help this gloomy picture, replied that the broadening of the base of the government as soon as possible and the cleaning out of Fascists now in office would serve this end.

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General MacFarlane then asked that all the Regional Commissioners should bring any such cases to his attention immediately so that they might be taken up with Marshal Badoglio for consideration by the Italian Government to get the desired action.

C. Regional Commissioner, Region III (Campania), Lt Col C. Poletti.

1. ACC/AMG have been doing a very fine job with progress made in all fields. There have been no disturbances of any kind; even in politics there is no state of discontent. The policy of the Chief Commissioner to allow the Giunta party meetings has proven very valuable. The people now have the sense of being able to express themselves.

2. Cleaning up garbage has been facilitated by 50 trucks now working in Naples alone, which places the city in much better shape. Constant pressure is placed on the Italians to improve the situation. 5,000 drums have been obtained for distribution throughout the city for collecting refuse and garbage.

3. Satisfactory progress has been made in public works with improvements on roads, streets, side walks and sewers.

4. The most urgent problem is that of the "black market." A reorganization of distribution of AMG food has taken place and we are now using our own transport to take food from docks to district warehouses. The police have been strengthened; individually they now have a greater appreciation of their jobs. Some of the head racketeers have been pulled in and it is hoped to bring about prosecution and sentences speedily. "Out of bounds" signs which have been dealt out in cooperation with PBS have given good results. A price list which is restricted to essential goods is to be made up for the Italians. In the communes citizen councils have been started with efforts to make the people feel that honesty can be achieved.

5. A fishing agency has been established and 5 Italian commissioners appointed. Markets have been opened and prices for fish will be fixed. Fishermen are at present opposed to this action, because it will mean a lower price for fish.

6. An attempt has been made to improve transportation.

7. The "battle" is still being fought against other regions. It is felt necessary at times to issue permits to persons so they may enter other regions to bring food into Naples. Attention of other Regional Commissioners was invited to the fact that there is quite a concentration of the population in Naples.

8. It is needful for the Italian Government to give some direction on agriculture and also on welfare. Will there be an rationing system? Millions of lire are being spent on welfare. It is desired that a program be given.

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9. Colonel Poletti believes the Fascists are being cleaned out, but states they they require careful watching to keep them from coming back.

Comments by Chief Commissioner: The Chief Commissioner explained that pressure has been put on the Italian Government to get directives on agriculture, but no such directives have been obtained. If no such directives are forthcoming in the very near future, severe pressure will be brought to bear. The Agriculture Sub-Commission

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General MacFarlane expressed his appreciation for the splendid work done by ACC together with PBS, No. 3 District and Base Sub-Area in connection with the Vesuvius emergency operations. The job was rapidly and efficiently done.

D. Regional Commissioner, Region V (Foggia & Campobasso), Colonel F. I. Whitley.

1. This Region was activated only about two months ago. This is the first report of activities.

2. The political situation is quite satisfactory, with political agitators causing only a little disturbance. The people in general stand by the turn of war; but the masses are apathetic, living from day to day. Some are seeking political advantage. One incident arose in which a political meeting of 9 March at Bari was called without notifying the Regional Commissioner. Through this occasion a vice-

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sindaco lost his post. Another case was noted where Carabinieri were endeavoring to round up absentees without permission. Military police have assisted the Carabinieri greatly. It is found they have to be watched when on their own.

Activity of the Bonito Brothers has caused several political disturbances. There was one incident at Gargano when District 2 had cut off electricity without advising the people. When a pasta factory could not turn out its product the Bonito Brothers endeavored to organize a riot. Colonel Whitley asked that in the future notification be given of any intended cut-off of utilities to avoid recurrences.

3. Regarding the food situation new ration cards are being instituted. Supply of olive oil is inadequate. Meat prices are sky high. People in the agricultural areas are to be reduced to a proper quota. 90% of the communes have 80% of the people engaged in agriculture, or 72% are thus engaged.

4. Forestry is underway on the Gargano Peninsula. A company of New Zealanders is at present logging for military purposes. There is a forest guard party to see that regard is given to conservation.

5. Herds of deer have been destroyed by Air Corps units on hunting parties.

6. Potatoes are being planted; some are spoiling due to lack of transport. Grain planting has been completed to about 90%. It is planned to amass 40% in Foggia Province and 18 to 20% in Campobasso and other provinces. 20,000 sacks are needed as well as the necessary twine in order properly to amass the grain. Care will need to be exercised by stencilling to see that the bags do not get into the black market.

7. Inland fisheries are being developed as well as the sea fishing industry throughout Foggia Province. A tariff is placed on fish exported to keep from robbing the local markets, since fish command a far higher price in other localities. Fishermen need nets and cordage. At present most of the fishing is carried on in sailing schooners. More people who have power schooners should be encouraged to enter into the fishing business.

E. Regional Commissioner, Region VI (Sardinia), Brigadier M. Carr.

1. The general situation is satisfactory. There is a lack of transportation and tires for vehicles. Too many Italian troops are still in Sardinia. Political situation is satisfactory.

2. Food situation has improved. Stocks of flour have enabled us to set up warehouses out in the provinces. The shortage of olive oil is very much felt. A consignment is on the way from the Mainland.

3. On the legal side, the civilian courts are to be reconstituted. Major Palmieri from ACC has been working on this project. 35 more judges are required. Over 5,000 cases are awaiting trial by military tribunals. The number is piling up. Detention prisons have been overcrowded. Situation has been improving somewhat.

4. With reference to industry and commerce, lack of transportation has been a severe handicap. No progress has been made in obtaining small vessels for inter-island trade. Six small schooners which are lying idle in port of Cagliari have been requested. Night fishing is to begin, and if this increases the fish intake there will be a need for more transportation.

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5. Wheat is in good condition with but slight damage from cold. A need exists for sulphur and fertilizer.

6. Crime has increased, especially robberies and thefts, full reports of which have been rendered.

7. Preliminary arrangements have been made for taking 10,000 refugees if there is an emergency.

8. Health situation is satisfactory, however there is an increase in prostitution and venereal disease. All available medical supplies have been distributed to the provinces and there have been complaints about shortages. It is hoped that this situation has been dealt with.

9. Movement [illegible] of horses [illegible] with the mainland was sus-

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pended.

10. There is need for a policy in regard to smuggling.

Comments by Chief Commissioner: General MacFarlane remarked that the Shipping Sub-Commission could let the Conference know about the six schooners at Cagliari.

F. Eighth Army AMG, Gp Captain C. E. Benson.

1. No political problems. AMG Eighth Army has been undergoing a period of reorganization. Adriatic Coast in Campobasso Province now divided in control. Provinces of Benevento and Naples are still under administrative control of Region III. Only operation orders from Army bring AMG Eighth Army into the picture. The Northern Coast is severely handicapped as Allied Forces have not captured provincial capital.

2. Food situation is satisfactory. There is a railhead and food can be distributed by our own trucks. There is one tendency which has been noted on which help is needed from ACC; namely, warehouses have been threatened with requisitioning for billeting purposes. These warehouses will be needed at harvest-time for storage of crops.

3. No report can be given on health, disturbances or public safety. All is going along well.

4. In Campobasso Province the food supplies are going to be built up. Stocks in Aquila have been built up with food for one month for 40,000 people.

5. A new Prefect is needed in Campobasso Province.

6. With reference to transport, we are at present lucky to have 50 trucks which were handed over by the Army. When AMG moves on it will be difficult for Campobasso to feed itself. The availability of these trucks is vital.

7. There is nothing to report concerning Benevento and Naples Provinces except labor prices. It has been found difficult to get the necessary labor to work on bridges and roads which the Army requires because of the excessive prices in provinces.

8. The campaign against disease is a troublesome problem now. Places are being cleaned up, but we are desperately short of doctors.

G. Fifth Army AMG, Brigadier General E. E. Hume.

1. Some AMG personnel of Fifth Army were reassigned to Eighth Army accompanying the military units transferred from one army to the other.

2. Arrangements were made with Region III for their administration of those communes in the rear of Fifth Army area (between rear Corps and rear Army lines); this to include anti-malarial work.

3. The wholesale evacuation of civilian population from the Anzio-Nettuno Area was a considerable undertaking. Care has been taken to safeguard labor requirements and the cattle in the area.

4. Casualties of AMG personnel in the beachhead area have been: 3 officers [illegible] by wounds and shortly to be evacuated to the United

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4. Casualties of AAG personnel in the beachhead area have been: 3 officers wounded, one enlisted man disabled by wounds and shortly to be evacuated to the United States. Four Carabinieri were killed. Our supply depot was destroyed by shell fire and we have been bombed out of three separate headquarters.

5. In regard to Carabinieri affairs it was again brought out that Carabinieri must be kept for Rome. The 200 Carabinieri taken, in spite of protests, for permanent assignment to Sicily, have been ready to depart for more than a fortnight, but are still without orders.

6. It is suggested that some arrangement may be made whereby a part of the livestock (chiefly sheep) from the Anzio-Nettuno Area be brought out for use as food. The evacuation of the bulk of the civilian population greatly increased the problem of caring for these sheep. The Moslem troops of the French Expeditionary Corps are very desirous of having fresh mutton readily available, and have their own facilities for slaughtering, etc.

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7. Recent changes have reduced the commissioned personnel of the Fifth Army to about 25.

8. Movements within the Fifth Army area are being closely checked by military police. Civilians are evacuated from the most forward zone. Behind this is a second zone in which civilians are allowed to remain, but unauthorized movement between towns and villages is prohibited. In the rest of the Army area the 10 kilometer rule applies. In general civilians are not permitted to go north of the Volturno River. A special control officer at Capua issues passes in exceptional cases. All military personnel having official business in the forward areas should hold passes from their commanding officers stating the dates on which visits are authorized and for what purpose. The town of Sessa Aurnca is out of bounds, except to pass holders.

9. A military court is sitting at Santa Maria to try cases of espionage and sabotage. So far 24 persons have been tried and 22 found guilty.

10. Food supply for Rome is to be taken forward in ships made available by G-4, Fifth Army, for the period of the Fifth Army's occupation of the city. We expect to unload all of the schooners in which we now have food stocks.

Comments by Chief Commissioner: General McNarney assured General Hume that it is realized that Carabinieri are needed in Rome, and he expressed the hope that they will be returned promptly when Rome is reached.

H. Refugee Branch (Italians). Lt Col I. R. Hills.

1. From 1 March to 14 April it has been necessary to move 21,000 refugees from forward areas and disperse them in Southern Provinces. This included 11,000 from the beachhead. The refugees have been made up of 15-20% men, 30-35% women and 50% children. They have been moved by ferries or by LCI's and travel has been hard. Losses among the 21,000 were 5.

2. a. Whilst the majority during March went to Region II, some have gone to Region I and III. As few as possible are being sent to Region II this month or next, which will give them a chance to digest those already sent.

b. Regions II and III are having considerable difficulties in absorbing their quotas, due to the numbers and movements of troops in their areas. They will only be able to absorb maximum numbers in the future, by working in closest contact with sub area commanders, who now know the general situation and have been directed by their district commanders to assist, and by house to house billeting.

c. Region I has set about this problem with far greater thoroughness than anywhere else. In conjunction with District 1 and 183 they have made extensive reception and dispersal plans for large numbers.

d. Movement by sea to Sicily commenced last week. 1,000 were embarked on the MARIGOT on April 5th and a further 750 on the 11th. The first voyage was made without difficulty.

3. Real troubles for refugees commence when they arrive in reception areas and are dispersed in communes. In general the Italian authorities have failed to look after these people, whose condition in certain places is deplorable. It is [illegible] administers that this responsibility

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H. Refugee Branch (Italians), Lt Col L. R. Mills.

1. From 1 March to 14 April it has been necessary to move 21,000 refugees from forward areas and disperse them in Southern Provinces. This included 11,000 from the beachhead. The refugees have been made up of 15-20% men, 30-35% women and 50% children. They have been moved by lorries or by LCI's and travel has been hard. Losses among the 21,000 were 5.

2. a. Whilst the majority during March went to Region II, some have gone to Region I and III. As few as possible are being sent to Region II this month or next, which will give them a chance to digest those already sent.

b. Regions II and III are having considerable difficulties in absorbing their quotas, due to the numbers and movements of troops in their areas. They will only be able to absorb maximum numbers in the future, by working in closest contact with sub area commanders, who now know the general situation and have been directed by their district commanders to assist, and by house to house billeting.

c. Region I has set about this problem with far greater thoroughness than anywhere else. In conjunction with District 1 and ITC they have made extensive reception and dispersal plans for large numbers.

d. Movement by sea to Sicily commenced last week. 1,000 were embarked on the MARCOT on April 5th and a further 750 on the 11th. The first voyage was made without difficulty.

3. Real troubles for refugees commence when they arrive in reception areas and are dispersed in communes. In general the Italian authorities have failed to look after these people, whose condition in certain places is deplorable. It is intended to leave no doubt in the minds of Italian Ministers that this responsibility is theirs. We recognise their difficulties, the main one being food, and intend to assist without allowing them to think that we are assuming their burden. People don't like refugees and it is very difficult to billet them. It is essential that they be kept off the lines of communication. The main requirement from the Italians is personnel service. We are making it clear, that if their welfare committees will work, e.g. in setting up soup kitchens, we will make available food supplies which will give refugees a hot meal a day.

Comments by Chief Commissioner: The Chief Commissioner stated that we are now doing our best to set the Italian Red Cross on its feet, which would help the refugee problem.

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I. Displaced Persons Sub-Commission, Colonel P. S. Kirkwood.

1. This Sub-Commission deals with all displaced persons and refugees except Italians, mostly with Yugoslavs. The type of Yugoslav has changed during the last month or so--previously they were received from Dalmatia but are now coming through the German lines. The latter are mostly orphans, women with children and old men and women. Refugees are now in such a condition as to require more medical attention. 90 orphans were received on one ship alone. There are two orphans' homes started at present.

2. Higher headquarters anticipated that the Yugoslav refugee problem would cease. There were 4,500 per month in February and March. During the first week of April 2,000 were received. They are not kept in camps. We have moved 16,249 Yugoslavs to Middle East, and of these approximately 5,000 were moved during March.

3. Organization of Sub-Commission is still on insecure foundation.

4. Method of feeding, source of feeding and accommodation stores are problems.

5. There are two hospitals at present with 100 beds in each occupied all the time. Red Cross has rendered valuable welfare and nursing assistance. There has been some support from the army, but they have been taking personnel away. Yugoslavs, Czechs, Poles and Italian Army doctors are being trained to carry on the work.

6. With reference to accommodation stores, the ACC has set up no means of supplying. Army initially supplied these, but they are becoming less and less a source of supply and we will have to make our own arrangements. We have helped ourselves as much as possible but will need some assistance in the matter of material.

7. The ration is inadequate for small children, nursing mothers, etc. This is helped somewhat by hospital comforts. The Army does not consider it their job, thus the Italian subsistence ration is all that they have to fall back on. This is a problem to be dealt with by ACC. The numbers are not great compared with the rations supplied to the Army, therefore it is not a problem of taking food from the Army.

8. It is believed that the refugees should be repatriated when possible and sent home, or they could be sent to other communities and given a chance to start life on a new footing.

Comments by Chief Commissioner: The Chief Commissioner asked whether there were able bodied Yugoslavs coming over who were capable of service in General Anders' Army. Colonel Kirkwood replied that such men were being trained and returned to Yugoslavia.

J. Executive Commissioner, Brigadier A. S. Lush.

1. The reports by Regional Control and Military Government Section were introduced by Brigadier Lush, who stated that the picture given at this Conference is better than the one given at the last. This was attributed to the fact that

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Yugoslavs to Middle East, and of these approximately 5,000 were saved during March.

3. Organisation of Sub-Commission is still on insecure foundation.

4. Method of feeding, source of feeding and accommodation stores are problems.

5. There are two hospitals at present with AMG beds in each occupied all the time. Red Cross has rendered valuable welfare and nursing assistance. There has been some support from the army, but they have been taking personnel away. Yugoslavs, Czechs, Poles and Italian army doctors are being trained to carry on the work.

6. With reference to accommodation stores, the AMG has set up no means of supplying. Army initially supplied these, but they are becoming less and less a source of supply and we will have to make our own arrangements. We have helped ourselves as much as possible but will need some assistance in the matter of material.

7. The ration is inadequate for small children, nursing mothers, etc. This is helped somewhat by hospital canteens. The Army does not consider it their job, thus the Italian subsistence ration is all that they have to fall back on. This is a problem to be dealt with by AMG. The numbers are not great compared with the rations supplies to the Army, therefore it is not a problem of taking food from the Army.

8. It is believed that the refugees should be repatriated when possible and sent home, or they could be sent to other countries and given a chance to start life on a new footing.

Comments by Chief Commissioner: The Chief Commissioner asked whether there were able bodied Yugoslavs coming over who were capable of service in General Tito's Army. Colonel Kirkwood replied that such men were being trained and returned to Yugoslavia.

J. Executive Commissioner, Brigadier H. S. Lush.

1. The reports by Regional Control and Military Government Section were concluded by Brigadier Lush, who stated that the picture given at this Conference is better than the one given at the last. This was attributed to the fact that the officers had obtained a grip of their jobs and also to the easing of the food situation. The grave difficulties are in regard to transportation, especially in distribution of food. The favorable crop forecast points to one remedy for the situation.

2. The problems in the forward areas at the moment are simpler than those in liberated Italy. Direct government is easier than advisory control. There is an inevitable slowing down when the Italian Government takes over. AMG with Allied officers in charge and with their resources can do much more than Italian officials who are acting under orders of a Government which itself is in no easy position and who find themselves in difficult circumstances. It is a difficult task for Regional Commissioners in liberated Italy, not only to prevent themselves entering too much into the executive form of government but also to persuade Italian officials not to lean on them too much. Italian officials must be encouraged to take initiative. The situation is easier in the Islands where there are High Commissioners than in the Mainland where prefects are answerable directly to the Govern-

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ment.

3. Experience gained in Liberated Italy would be invaluable to use in forward areas. It would be a help in the future in handing over Regions to the Italian Government.

4. It is very necessary to maintain close and constant contact between Headquarters and Regional Commissioners. This is brought to the attention of heads of Sub-Commissions in all aspects of their work. Headquarters also ought to know what is happening in the Regions, particularly so in the case of the Administrative Section which deals with the local government problems.

5. The Chief Commissioner had decided that Region II would be divided into two parts. Calabria would form a new Region VII. Apulia and Lucania would comprise the new Region II.

6. 309 officers had been sent to other theatres. It is hoped that there will be no further calls for officers.

7. Lists of promotions for officers (both American and British are to be submitted to the Chief Commissioner in the course of the next few days.

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A recess was called at 1125 and the Conference resumed at 1140.

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II. REPORTS BY INDEPENDENT SUB-COMMISSIONS.

A. Navy Sub-Commission, Commodore E. M. Palmer.

1. The Italian fleet during the last six months has employed 502 ships on patrol work and transporting troops from North Africa to Naples. All reports have been satisfactory. Particular praise is due to Italian sub-marines for running in food and supplies to troops during Aegean operations, while under constant bombing. Most are now employed on training duties.

2. It has been asked why so many men have left the Italian Navy. At the present time Italian officers and men are relieving our personnel starting in Sicily and working North. We are asking that they relieve us of some of the work in the port of Naples. Admiral Morgan has asked the Minister for a detailed report, after which answers to personnel questions can be given.

3. There has been some ill feeling in regard to food and pay for those doing hard labor who feel they are not on the proper status. Colonel Bain of Labor Sub-Commission has promised aid in this matter.

4. Another problem is that the Italian Navy is getting short of clothing and boots. A supply has been requested.

B. Army Sub-Commission, Brigadier C. C. Duchesne.

1. Major General L. Browning is now in the process of taking over the Army

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comprise the new Region II.

6. 309 officers had been sent to other theatres. It is hoped that there will be no further calls for officers.

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B. Army Sub-Commission, Brigadier C. C. Duchesne.

1. Major General L. Browning is now in the process of taking over the Army Sub-Commission.

2. Ration ceiling was reviewed at conference between Chief Commissioner and Hq AAI on March 31; and recommendations for future strengths include Security Police and Fire Bde in addition to Carabinieri and Guardia di Finanza. If approved, this will raise the ration ceiling to 537,000, compared with current authority for 500,000 and actual present strength 480,000.

3. Since 25 March MMIA has supervised the issue of all Allied supplies shipped direct for Italian Armed Forces to the Mainland. In Sardinia and Sicily the Allied Garrison is at present supervising these issues, and MMIA is organising the accounting through Hq ACC. We should like now to initiate liaison between MMIA Supply Supervisors at the various ports and those of Food Sub-Commission. The supply situation has crystallized the question of how many troops are to stay in Sardinia and how many to come to the Mainland.

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4. On the mainland Allied Areas are now 75,000 of the Italian Army under their command including 9,000 combat troops; the programme is to build this up to 194,000 including a combat division of 24,000.

The Italian Army is calling in all illegal absentees of the 1923 class plus all illegally absent motor drivers; it will continue one class at a time until all are in control.

5. With reference to Sardinia, shipping ceased but is now starting again. Practically no Italian Army troops have been brought across to the mainland during the past month, but Italian warships are now re-commencing to transship ten thousand per month. Of the garrison in Sardinia 20,000 are working for the Allies. 5,000 Italian Yugoslav soldiers are in the process of transfer to Corsica for airfield labor under the Allied garrison there.

6. In Sicily the HQ 12 Italian Corps commenced formation in Palermo in mid March. It is carrying out a census of the inclusive 1912 to 1924 age classes who are legally liable for service and will then ask for permission to call them up within the ration ceiling.

C. Air Sub-Commission, Air Commodore W.A.D. Bowen-Buscarlet.

1. There has been a continuance of operational work in the war effort. The Fighter Wing has been employed in offensive sweeps with good results along the Dalmatian Coast under the operational control of the Desert Air Force. Long range fighters have been used to give escort to I.A.F. supply dropping aircraft over Yugoslavia. The Bomber Transport Wing has been employed in dropping supplies to Partizans and Italian troops in Yugoslavia and evacuating wounded. The Coastal Wing has carried out convoy escort duties, anti-submarine patrols and air-sea rescue flights. The number of sorties carried out by each of these to date has been 1,520 for the Fighter Wing, 1,560 for the Bomber-Transport Wing and 741 for the Coastal Wing.

2. With the advent of fine weather it is hoped to work up to an aggregate of 1,000 sorties per month. Between 1st and 6th April there have been 44 supply dropping sorties, of which 37 have been successful, and 51 tons net of supplies have been dropped.

3. The maintenance and equipment position is not satisfactory. There is no proper organisation for dealing with either. Energetic steps are now being taken to put these on a proper basis. The success of these steps will depend to a great extent on the payment of civilian firms working for the I.A.F. for work carried out since the Armistice. At present the Italian Government is being extremely dilatory in making these payments, and some firms may have to close down temporarily for lack of funds.

4. A total of 10,285 I.A.F. personnel are now on loan to the Allied Air Forces. The U.S.A.A.F. has taken up by far the greater proportion of these. It is satisfactory to note that they are giving excellent service in all branches. Since future demands may prejudice the operational capacity of the I.A.F., it will be necessary in the future to reserve the right to recall those required for I.A.F. duties when this becomes essential. Technical personnel are urgently needed. There are a number of highly skilled technicians in Sardinia and also in North Africa. It is important to get the maximum number of technical personnel that can be obtained from all sources.

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5. Further in regard to maintenance, we must have full access to all salvaged Italian Air Force material. There is a need for stronger orders to prevent further requisitioning of Air Force equipment.

6. A total of 519 I.A.F. Arditi personnel have been trained as a "Commando" battalion equipped with rifles, automatic rifles, machine-guns, and light mortars. They should be fit to do a combat job very shortly.

7. It is believed it would help to give a little more publicity to the good work being done by the Italian Air Force.

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D. Telecommunications & Posts Sub-Commission, Colonel J. L. Henderson.

1. Internal telegraph service has been restored in and between all the provinces of the mainland and all provinces in Sicily. There is service in Sardinia too, but no outlet from Sardinia, except for official traffic.

2. Telephone calls are limited to urban calls except for officials.

3. Work being handled at present includes the following:

a. Extension of internal telegraph service to include Naples, Avellino, Benevento, up to rear Army boundary.

b. Resumption of civil calls within provincial boundaries up to the same line.

c. The question of resumption of external cable service has been raised.

d. Repair of the main Salerno - Reggio cable is proceeding; when complete, this will give official telephone service with Catanzaro, Reggio, etc. and with Messina, Catania, and Palermo.

4. The internal and foreign mail service has been extended to include Naples and Avellino provinces up to the rear Army boundary. The extension into Benevento Province is in hand. Other special services have been worked out for the Vatican, I.R.C.C., Italian Prisoners of War, and to Italians in occupied territory.

5. Other activities have included correspondence with Military Signals over freeing of circuits for Italian Government use, and restoration of Ducat and Coast Watching circuits; correspondence with Civil Censorship; analysing and submitting to Economic Section proposed rates for telegraph, telephone and postal services, arranging for supplies of stamps from U. S. for Italian Government; supervising Allied Control Commission communications.

E. War Materials Disposal Sub-Commission, Colonel J. T. Sellers.

1. This Sub-Commission's work is with War Materials Disposal and War Factories.

2. In Sicily the turn over to the Italians of war materials in excess of Allied needs is progressing. As regards the Western half of the Island it is about 95% complete, and the Eastern half is not so far advanced. On the Mainland and in Sardinia the turnover continues as the tactical situation permits.

3. From available statistics and reconnaissance it was found that in Sicily prior to Allied invasion there were 60 factories producing war materials or essentials therefor. Of these 60, twelve are now producing in whole or in part either directly or under Allied supervision or by service troops themselves. Twelve to fourteen were completely destroyed by war. The remainder are producing from nothing to very little--these are mostly small factories without raw materials.

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4. It was since the last Conference that this Sub-Commission was acquired the additional responsibility of War Factories. This term applies only to Italian manufacturing plants in three general categories.

a. Italian War Factories operated directly by or under direct supervision of Allied Forces.

b. Italian War Factories operated directly by or under direct supervision of the Italian War Ministry.

c. Italian War Factories (Auxiliaries) operating in the production of War Materials under supervision of Italian War Ministry.

5. On the Mainland the factories are nearly all used for the maintenance and repair of our own materials and equipment. The use of these factories is unsatisfactory.

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F. Public Relations Branch, Major L. Fielden.

1. The Public Relations Branch was officially established on April 1st. During January and February Major Fielden was the only PRO with ACC though there were five PROs attached to Regions III, IV and Fifth Army AGD. Regional PROs have now been abolished and the officers assigned to this branch at Headquarters ACC.

2. During March representatives of 43 newspapers or newspaper syndicates consulted this Public Relations Branch and were supplied with the information and services they required. Interviews were arranged with members of ACC as requested. Twenty-six press releases on various aspects of the Commission's work were handed out. A Press Conference was convened on March 10. Arrangements were worked out for supplying regular news to the papers controlled by the EWB. The Allied Publications Board on which the PRO sat as a representative of ACC was reorganized and Local Boards were set up to deal with applications to publish.

3. Owing partly to the reorganization of ACC and partly to the lull on the battle fronts a growing interest was shown by correspondents and this interest should soon be reflected in the Allied press.

4. A weekly resume to Regional Commissioners of ACC activities has been started in an attempt to bridge some of the present gaps in relationships. It is hoped to produce a regular ACC journal about the work of ACC, the need for it being found in the fact that there is a great deal of expert detail which is liable to get by-passed.

5. Major Fielden pointed out that the PRO is sometimes regarded as being without clearly defined functions. It is one of the main activities of this Branch to see that the press gets the correct information, improper information being one of the chief causes for abuse in the Allied press. In order to get an accurate and comprehensive picture of the whole work of ACC to the press it will help greatly if every scrap of news regarding developments is obtained quickly.

6. Public Relations work had been concentrated at Headquarters, but in the near future men will be sent out into the Regions to get in touch with the activities there.

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The morning session of the Conference adjourned at 1215 hours.

The afternoon session opened at 1430 hours.

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III. Address by Chief Commissioner, Lieutenant General Sir Noel Mason MacFarlane.

General MacFarlane commented on the political situation as being brighter than at the time of the last Conference. Then there was the threat of a strike by parties of the left with reference to the Prime Minister's speech. After several discussions with the leaders involved, they called off the strike and held a public meeting of protest instead.

The Communist Party changed its policy and agreed to work with the Government of Marshal Badoglio. There had been little change in the 6 parties otherwise. The main objection had been the King. The King had recently crystallized his present intentions and the reaction of the parties to his declaration is awaited. The question is whether the other Parties will follow the lead given by the Communist Party or hold out for further action from the King. The lead by the Communist Party is to be warmly welcomed by us. These parties have had no constitutional method of achieving their aims, which has kept the threat of strikes and disturbances before us.

The end in view is a broader-based government as the greater the representation of the people the more they will pull together for the common cause. With the present action of the Communist Party and the statement of the King we are much nearer the goal of broadening the base of the Government.

The Chief Commissioner greeted the Advisory Council members who were present. Now that these representatives are resident in Naples we shall have the benefit of their local advice in connection with political problems.

General MacFarlane expressed his regret at the departure of Colonel McCaffrey, Brigadier Duchesne and Air Commodore Foster. A welcome was given to Air Commodore Bowen-Buscarlet, new Director of the Air Sub-Commission. There have been other changes in the high positions in AFHQ. Brigadiers Dunlop and Carr have changed positions. Colonel Kirkwood would take over the new Region VII. Displaced Persons Sub-Commission would be taken over by Colonel Finlay.

A welcome was also given to General De Gavin, French Representative with the Commission.

We are now approaching our ultimate ceiling in officer personnel. This ceiling represents the number with which we must tackle the whole of Italy. It will not be increased no matter how far forward we go through Italy. There will be no reinforcements. This makes it necessary to get the country sorted out as we go forward and to ensure that the Italians are capable of taking over as we go forward. Then our own personnel can be taken from the rear areas to new fields. It is hoped that the changes and transfers of the past few months will now become considerably less; however, this does not mean that a person will be permitted to be "stuck" in a job, or in an undesirable location. To prevent this periodical reviews of appointments will be made.

There is still scope for improvement in contacts between Regions and Headquarters. It is desired that people should get out from Headquarters, and on the other hand, visitors from Regions will be welcomed here.

General MacFarlane reminded the Commissioners again of the way in which AFHQ works. As we go forward we begin activities in territory with the AMGs of the Armies. This is followed up by Regional Military Government and when the time is ripe, and the

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General MacFarlane reminded the Commissioners again of the way in which ACC works. As we go forward we begin activities in territory with the AMGs of the Armies. This is followed up by Regional Military Government and when the time is ripe, and the Advisory Council approves, the territory is handed over to the Italians and ACC assumes advisory functions. It is essential to train the Italians, as we do not have the manpower to run the show. The time to clean up fascism is during the AMG period. Things must be sorted out, Fascists must be sacked and the right Italians must be picked and trained while we are exercising military government. It is much more difficult to do this after becoming "advisory" and losing the executive rule. Once an Italian has been appointed by AMG, he cannot be removed without our consent. Unless the Italians can produce a man whom we feel is fit, they cannot replace our man. Therefore it is most important to train them during the AMG stage. If the right man cannot be found, then Headquarters should be advised at once. Marshal Badoglio has always cooperated when asked to provide a man.

The Regions will normally "stay put" when control passes to the Italian Government. Personnel will be reduced in numbers and functions will be advisory. This advisory job will become easy or difficult depending upon the executive period under AMG.

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The Chief Commissioner stated that he did not think the headquarters and the Regions are yet working as smoothly as they might. This is due very largely to lack of conception on the part of some people as to what is required, also lack of practical experience. On technical questions the Sub-Commissions will deal direct with Regions and Provinces in the field. When it comes down to operational directives, those must go through Regional Commissioners. They must know what is going on in order to coordinate the work. Two things must be avoided; namely, (1) working too much in water-tight compartments and (2) delay in office procedure. The "pending" trays should be abolished.

In closing the Chief Commissioner remarked that probably all realize, from this Conference and the last one, the complexity and number of tasks which the organization must face. He expressed his appreciation for the good efforts and work done to solve these complex problems.

IV. REPORTS BY ECONOMIC SECTIONS.

A. Industry and Commerce Sub-Commission, Colonel W. Evans.

1. A stage of advancement from survey to actual rehabilitation has now been reached which necessitates co-ordination with Services for mutual integration of salvage program, cannibalisation and restoration.

2. A visiting Commission from CCAC emphasized the importance of relief of skilled labor shortage in US and UK. Shipping space is no longer the sole overriding consideration. Importation of raw materials is preferable to manufactured products. Cloth and leather, needles and sewing thread are needed from abroad.

3. Local Resources Boards have continued excellent cooperation from Local Resources Section, HQ AAI (Adm. Sch) but it is clear that Local Boards in Sicily and Sardinia require definite policy directives to prevent confusion. Director and Joint Vice Chairmen are proceeding forthwith to Sicily for this purpose.

4. Some of the achievements can be enumerated as follows:

a. 78 industrial plants have now been surveyed including many of major importance and a report on heavy industries is now in the printers' hands.

b. Caustic soda is now actually here and cigarette paper is en route. Thus soap and tobacco industries are being reactivated.

c. The screening of the requisitions for the next six months entailed considerable work. The items numbered 1746 varying from aphynomenometers to riveting hammers.

d. Export program is now being rapidly developed from Mainland.

e. Sulphur and coal program from Sicily and Sardinia respectively has been continued but coal output has been limited by AFHQ orders.

5. The various problems at present are:

a. Lack of transportation, especially the tire situation, is bad. The instructions issued by C.E.C. and MGB for requisitioning tires have proven impossible to observe in practice.

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IV. RESUME OF EVENTS [illegible]

A. Industry and Commerce Sub-Commission, Colonel K. Evans.

1. A stage of advancement from survey to actual rehabilitation has now been reached which necessitates co-ordination with Services for mutual integration of salvage program, cannibalisation and restoration.

2. A visiting Commission from CCAC emphasized the importance of relief of skilled labor shortage in US and UK. Shipping space is no longer the sole overriding consideration. Importation of raw materials is preferable to manufactured products. Cloth and leather, needles and sewing thread are needed from abroad.

3. Local Resources Boards have continued excellent cooperation from Local Resources Section, HQ AAI (Adm. Sch) but it is clear that Local Boards in Sicily and Sardinia require definite policy directives to prevent confusion. Director and Joint Vice Chairman are proceeding forthwith to Sicily for this purpose.

4. Some of the achievements can be enumerated as follows:

a. 78 industrial plants have now been surveyed including many of major importance and a report on heavy industries is now in the printers' hands.

b. Caustic soda is now actually here and cigarette paper is on route. Thus soap and tobacco industries are being reactivated.

c. The screening of the requisitions for the next six months entailed considerable work. The items numbered 1748 varying from sphygmomanometers to riveting hammers. 2148

d. Export program is now being rapidly developed from Sardinia.

e. Sulphur and coal program from Sicily and Sardinia respectively has been continued but coal output has been limited by AFHQ orders.

5. The various problems at present are:

a. Lack of transportation, especially the tire situation, is bad. The instructions issued by C.B.C. and MGS for requisitioning tires have proven impossible to observe in practice.

b. There has been no quota of Regional personnel determined for Industry and Commerce functions. At Headquarters there is an acute shortage of translators, the services of the interpreters and translators pool being inadequate.

B. Labour Sub-Commission, Colonel J. R. Bain.

1. A final draft of a Royal Decree, which is in essence a Magna Carta for Italian labor, has been completed, and is now being submitted for acceptance. This is the combination of long months of experience and study with the Italian Government, Italian labor, and the results of AMG/ACC administration. This document, when issued, may well stand as a lasting monument of Allied Occupation, and should be broadcast to other nations in the Axis sphere as concrete evidence of our aims and purposes. This will be followed by a further decree giving trade unions a charter setting forth their rights, privileges and restrictions.

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2. The past month has shown that too frequently we meet with non-cooperation. Problems have been handled at too low a level. It is of the utmost importance that the Labor Sub-Commission definitely and actually be recognized as the principal authority in all labor matters for all Italian Territory, so as to eliminate interference, and decisions made by various other agencies and departments without reference to, or clearance by, the Labor Sub-Commission. Too many problems have been handled which had been picked at and made "raw" previously. Field officers should keep us advised. In this connection, it is pointed out that there are no field officers in Sardinia, Region II, Fifth Army, Eighth Army, Displaced Persons, and Italian Refugees Branch.

3. It has become more apparent than ever, particularly since the Italian Government has been given jurisdiction over certain areas, that the responsibilities andproblems of the Labor Sub-Commission have more than doubled, therefore another urgent request is made for increased personnel to handle this formidable task.

Comments by Chief Commissioner: The Chief Commissioner emphasized the necessity of referring matters to the Labor Sub-Commission when labor plays a part in them, and all concerned were urged to make full use of this Sub-Commission's services. The lack of personnel is something which must be faced since we are held down to a ceiling. It will be seen what can be done about giving them more personnel in the field. The difficulty with the limited ceiling is that you cannot ensure having enough of the right people in the right places. In many cases the problem is not capable of being solved.

C. Agriculture Sub-Commission, Major T. A. Hartman.

1. The Italian Minister of Agriculture and the Director of Agriculture Sub-Commission conferred with Allied and Italian officials in Sicily, Apulia, Lucania, and Calabria in the interest of creating uniform agricultural organizations in the field to obtain maximum production at harvest and in amassing of wheat and other vital crops.

2. It has been endeavored to get a plan defined. The new Minister advised that a field check would be necessary before such a plan could be outlined. Such field checks have been completed in Regions I and II. The Minister at each place spoke to various agricultural officials and expressed to them what they must do with reference to organization. They have had instructions andpressure has been brought to bear, but we still have no defined plan in writing.

3. We do not have more than ten trained agricultural officers in the theatre. Also the Minister cannot locate competent men who are willing to accept responsibilities. We have suggested means to him, but he has refused to do anything about it. We have promises but no written results. The Agriculture Sub-Commission has the complete cooperation of the Ministry's staff except the Minister himself when it comes to action.

4. Another problem is transportation. No Italian agricultural official has a car in Sicily. The Minister was pushed on this question. The provision of at least 1 car to each Compartment Inspector and 2 cars to each Provincial Inspector is necessary.

5. Beginning April 15 Provincial officials will be making out a crop condition report. This will become a bi-monthly report. A revised forecast by 15 May will be an additional basis for completing plans to obtain maximum amassing of wheat and other crops.

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6. Seed potato imports totaled about 37,000 tons, a large proportion of which arrived after latest safe planting date 15 March; about 2500 tons of late arrival had to be diverted to Army ration; sterility due to long time on boat plus other reasons necessitated diverting an additional 1500 tons for food use. With these exceptions loss of seed has been extremely small in light of obstacles that were overcome to get seed in ground.

7. A survey of fishing conditions and needs to get a maximum harvest are being completed for all occupied territory including Sardinia; fishing supplies available from local resources are being distributed to areas which assure largest fish catch. Arrangements are in process of completion to assure tuna fishing operations in season along coastal waters of Italy and North Africa; approval has been obtained to

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extend night fishing operations at several points along coasts of Italy and Sardinia; a fish marketing plan has gone into effect in Naples area which will minimize black market operations and result in more equitable distribution; etc. Close working relations have been established with Fisheries Section of Italian Ministry of Agriculture on the above and all other activities of the Division.

8. Fuel wood harvest operations in Fifth Army area about 10 miles from Cassino continue to provide for all needs of hospitals and other army purposes in forward areas. About 100 civilians are employed on this job. Steps have been taken to re-activate the Italian Royal Forestry Corps to assume responsibility for necessary forestry operations. Most of the personnel do not have forestry training. It seems to have been a typical Fascist organization

D. Food Sub-Commission, Lt Col W. J. Legg.

1. The Food Sub-Commission is one of the younger subcommissions, whose principal job is to ensure that the people receive their daily bread. This has been achieved. The ration scale and miscellaneous food issues for April are higher and more varied than for any previous month. May issues are expected to be on a similar scale. Regarding distribution, May and June will be difficult months. Of ten cereal ships, nine will be grain ships and one only will be flour. Previously these ships have been mixed cargo. The program now, however, is different; of this fact the Regional Commissioners should be informed. With only two ports accepting bulk grain, we are faced with the problem of a tonnage of 65,000 tons. Also 500,000 quintal-size sacks will be needed to handle the grain. This complicates distribution and puts a strain on the men. Further in regard to the sack problem, the Food Sub-Commission has opened up recovering depots to rescue flour and grain, which involves much work.

2. There is a pressing need to take into account local resources. We have planned to take care of the supplies, both wheat and cereal crops, to which Major Hartman has referred.

3. Regional Commissioners have spoken about Regional resources and trade. Free trade should be encouraged but requires coordination and control. A civil supply Italian group is working closely with Minister Lucifero and by this means it is hoped to control the basic items of supplies of cereals and pulse crops of this country. Despite the changes in the Ministry of Agriculture definite progress has been made. Agriculture will provide the answer to many food problems and [illegible] any requests for an increase in ration scale.

4. Another sore spot is ration cards and counterfeit cards. We are now actively engaged in pursuing a rationing enforcement policy. A plan was recommended to Regional Commissioners. An equal number of Inspectors and Guardia di Finanza are employed. Shops for operation are selected at widely separated points. Inspectors are in shops during service hours. Inspectors and Guardia di Finanza are changed daily. Inspectors examine ration cards of all persons entering the shop. Inquiries are made for purposes of checking ownership. The following gives an indication of the success of the drive.

During first two days eight baker shops were taken under control. Forty-one false cards were found; 11 were found belonging to deceased persons; 19 owned by people who had left the district and the number of borrowed cards was 34. A copy

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During first two days eight baker shops were taken under control. Forty-one false cards were found; 11 were found belonging to deceased persons; 13 owned by people who had left the district and the number of borrowed cards was 34. A copy of this scheme is being circulated to Regional Commissioners for use in their own Regions.

E. Finance Sub-Commission, Colonel E. H. Foley.

1. During March steps have been taken to establish the Banco d'Italia as the central bank for the Italian Government in the liberated area. For King's Italy the branch at Palermo has been made acting head office, and the branches in Regions III, V and VI are managed from Naples. An officer of the Finance Sub-Commission has been appointed liaison officer to the Bank and has his office in the Palermo Branch. This integration has enabled us to finance the Italian Government's deficit out of the existing currency reserves of the Banco d'Italia. Since April 1, no advances of AM lire currency are being made to the Italian Government or parastatal organizations and arrangements are now being made to finance provinces and communes out of bank funds. In fact the currency reserves of the central bank now stand at such a level that we are withdrawing 1.9 billion lire from the Banco d'Italia. This withdrawal is in the form of a partial repayment of the advances made to the Italian Government or its sub-divisions by ACC/AMG. Such advances total about 5 billion lire and the re-

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payment is approximately 2/3 of this amount.

2. Colonel Foley, while in Washington, arranged for the printing and preparation of new Italian Government currency. It is estimated that this currency will not be available for approximately six months from final approval of the design. When available, we can take steps in economic warfare and inflationary control.

3. Black market dealing in non-legal tender money has been developing. It is hoped to take effective action to stamp out this currency coming in and put a stop to violations of law involved in transactions in which it is implicated.

4. More drastic penalties are recommended when sentencing convicted forgers, as a number of cases involving forgery of AM lire currency are constantly coming to light. The volume of cases is not dangerous but should be checked.

5. The present economic situation of liberated Italy is chiefly characterized by an extreme shortage of foodstuffs with consequent high black market prices. The largest single source of income in liberated Italy is the Italian Government's deficit, which is estimated to be 20 billion lire since 1 July 1943, and is now averaging over 5 billion lire per month. The monetary measures we are taking include an attempt to reduce the level of Italian Government spending, more drastic tax measures and a reduction in the size of the deficit by more Government borrowing from the people.

6. A Commission from Washington has visited here to see how records are being kept regarding imports. It is necessary to cost account supplies coming in. We must know what goods come in, country of origin and what disposition is made of them. The Regional Commissioners must help in this collection of supply accounting data. The Chief Accountant reports that the necessary information is very slow in forthcoming from the Regions.

Comments by Chief Commissioner: The Chief Commissioner stressed the point made by Colonel Foley regarding the furnishing of proper information to Headquarters so that the show may run properly.

F. Public Works & Utilities Sub-Commission, Lt Col L. A. Jenny.

1. Work is progressing in regard to military highways but the lack of personnel and equipment is a handicap. Military authorities have asked that we extend and accelerate our organization and steps have been taken to accomplish this. Personnel will have to be increased and highway construction material must be imported from the United States. A plan has been put up to HQ AAI for review.

2. A program of procedure for utility rates was submitted and approved at a Special Economic Section meeting. Basic structure is not being altered.

3. Colonel Jenny mentioned the incident occurring in Foggia where a paste factory had to be shut down when their electricity supply was cut off. He explained that this rationing of electricity was an emergency measure brought about by a railroad's need for electricity. The decree for this rationing was not ready although the Minister had been pushed for it. Thus rationing was actually undertaken by us before the Decree became effective, and the demand was kept within the amount allotted by the Local Resources Board. When the Decree was published

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5. The present economic situation of liberated Italy is chiefly characterized by an extreme shortage of foodstuffs with consequent high black market prices. The largest single source of income in liberated Italy is the Italian Government's deficit, which is estimated to be 20 billion lire since 1 July 1943, and is now averaging over 3 billion lire per month. The monetary measures we are taking include an attempt to reduce the level of Italian Government spending, more drastic tax measures and a reduction in the size of the deficit by more Government borrowing from the people.

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4. Studies are in progress in cooperation with the Ministries of Public Works and Merchant Marine, for raising sunken ships in various harbors so as to clear harbors and make use of the ships; and five million lire have been appropriated for this. Studies are also in progress for the rehabilitation of shipyards capable of building small wooden vessels from 200 to 800 tons.

5. Officers of this Sub-Commission have visited Sicily and Sardinia and have studied PW & D conditions in those two Regions. Some changes are being contemplated in Sicily.

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6. ACC has just been asked to study the question of taking over and operating various plants producing essential construction materials. The armed forces have taken over many plants and materials are taken to the front areas.

7. At the last meeting a statement was made that the situation so far as electrical current for Rome was concerned was favorable. Work for restoration has been assigned to PWB. Financing the project and providing labor and food for workers was assigned to ACC.

8. Army and many ACC regional and provincial units have requisitioned automobiles and trucks belonging to the Italian engineer forces. This practice must cease. We are planning to issue special permits to them, with the cooperation of the armed forces, "freezing" their equipment so they can function.

9. A very large number of varied problems have been handled including repairs to buildings and building a "fiocvero" for the Volturno Building. Also the recent eruption of Vesuvius added to our tasks.

10. The Public Works and Utilities Sub-Commission has a basic task to perform. It is composed of specialists in various fields but does not have enough men to handle the tasks that have been given to it to perform. A few more men are needed at Headquarters. Regions II, III, V must have personnel. Region VIII needs electrical experts to go into Rome; about four more are needed immediately.

G. Transportation Sub-Commission, Colonel S. A. Fitch.

1. The military authorities still retain control of railways on the Mainland and in Sardinia. In Sicily the complete supervision of the whole of the railways became the responsibility of ACC as from 16 March, and it is a little early to assess the results. The volume of civil freight movement generally has increased as compared with the previous month.

2. Owing to a shortage of coal, locomotives and rolling stock, and the heavy priority requirements of Allied Forces, the railway facilities available for civil traffic are still barely sufficient to meet essential civil needs. No increase in civil passenger train services can yet be made.

3. 550 trucks have been made available since the last meeting, of which 150 are awaiting allocation. Will be handed over to the Italian Government in the near future. The 1001 G.T. Coy. (120 trucks) will be handed over to Region II fit for work in a few days.

4. Movements arranged through this Sub-Commission for schooner transportation are increasing. The setting up of a more satisfactory organization for schooners is pending. A few schooners have been allocated to specific points for local civil movements. It is hoped to secure increased allotments for regular local movements, as soon as sufficient evidence of need is forthcoming.

H. Shipping Sub-Commission, Mr. Robert Nicol.

1. The registration of the schooners is proceeding in a more orderly and rapid manner than was anticipated. They are very limited in number. Upwards of 200 schooners are now registered, and a considerable number of these are employed under

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H. Shipping Sub-Commission, Mr. Robert Nicol.

1. The registration of the schooners is proceeding in a more orderly and rapid manner than was anticipated. They are very limited in number. Upwards of 200 schooners are now registered, and a considerable number of these are employed under the direction of the Mediterranean Shipping Board Schooner Committee in work for the services of the Allied Nations.

2. It will now become increasingly difficult for this Schooner Committee to function unless the economic requirements of the area are presented once a month in practical form in order that the allocation of shipping may be made for its fulfilment.

3. The following is an illustration to show the necessity for producing the programme which is so earnestly desired. Since almost the total requirements of flour for the month of May are arriving from Australia in one large ship, in order to save our ocean going tonnage it is desirable that only ship should discharge at one port. Mr. Nicol together with his colleagues have enquiries as to what contribution the Schooner Committee can make towards the distribution of this flour to its ultimate destination. A problem such as this can be quickly solved provided all parties perform their requisite parts.

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4. The operation of other Italian ships has been a matter on which this Sub-Commission has been most closely engaged in conjunction with the Commander-in-Chief and our principals in Washington and London. The ships now being employed in useful service are the results of machinery which we have created. The Italian tonnage in service is as follows:

a. Inside the Mediterranean--passenger type 10838 G.R.T., cargo vessels 73,432 D.W.T. and tankers 46398 D.W.T.

b. Outside the Mediterranean--passenger type 24470 G.R.T., and cargo vessels 16323 D.W.T.

I. Acting Vice President of Economic Section, Colonel D. S. Adams (reporting in the absence of the Hon. Mr. Henry Grady).

1. The reports of the Sub-Commissions have given an overall picture of the activities. Although we feel at times that progress is slow, it is apparent from the reports already made that very substantial progress has been made in a comparatively short time.

2. This is impressive when we look back and realize that the General's first conference was held only a little over two months ago. That was the first time the Regions and Headquarters gathered together as one organization under one command with jurisdiction over all civil affairs activities in this Theatre. On the economic side it has made possible rapid progress in making effective its program in connection with wage levels, prices, food rationing and distribution, accounting, requisitions for imports for essential requirements, and in the control of local resources.

3. ACC is now establishing itself with the various services as an important section of the Allied forces in Italy; an Agency that can be depended upon to handle the many problems involving civilian labor, local resources, including food, engineer and other materials, also the handling and distribution of food imports.

4. Looking ahead, there is a tremendous amount of work to be done. One job facing us right now is the food situation. The Combined Chiefs of Staff have indicated to us their expectation that, with the coming harvest, Italy must feed itself and no longer may expect the imports of food such as we have had in past months. The responsibility for effecting this policy is placed on ACC and, of course, the Italian Government must assume its proper responsibility in this connection and has already been approached on the matter. The possibility of Italy feeding itself has already been explored and the program for the collection and amassing of the grain, reduction in food and seed retentions, price of wheat, etc. will be discussed with the Regional Commissioners while they are here. The necessity for feeding the Italian people from local resources is one of such general concern that all members of ACC should be acquainted with this policy of the Combined Chiefs of Staff.

The Economic Section and Regional Commissioners have a primary responsibility but will need the cooperation of all of ACC, particularly Public Health and Public Safety Sub-Commissions. Also all publicity releases will have to closely support this policy.

Comments by Chief Commissioner: The Chief Commissioner commented that the Italian Government is not giving the cooperation it should. This may be due in certain cases to political insecurity of certain Ministers. It will presumably show improvement with

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Comments by Chief Commissioner: The Chief Commissioner commented that the Italian Government is not giving the cooperation it should. This may be due in certain cases to political insecurity of certain Ministers. It will presumably show improvement with the coming of a broader-based and more secure government. We must realize however the manner in which the Italian Government came into being. Marshal Badoglio with but one clerk initiated this government. They did not bring experienced personnel from Rome. Thus we are dealing with an administrative machine which has been built up with difficulty. We must get everything possible out of them as rapidly and efficiently as possible. It is no surprise that they are not functioning as one would expect a government to function. That does not mean we should not try by all means and methods to get the 'goods' from them.

A recess was called at 1630 and the conference reopened at 1645.

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V. REPORTS BY ADMINISTRATIVE SECTION.

A. Interior Sub-Commission, Colonel R. G. B. Spicer.

1. There has been the misconception that Interior Sub-Commission is bracketed with Public Health, whereas it deals with the Minister of the Interior outside the sphere of Public Health, Public Welfare and Public Safety. There is almost daily contact with Minister Reale or his staff. Multifarious matters concerning Prefects, Sindaci and other extraneous matters come up.

2. A course in local government was held between 16-27 March. Officers attended from HQ ACC and Regions I, II, III, and V. The interest shown was gratifying and the Interior staff learned much from the students. A second course is in progress.

3. Colonel Spicer with his staff officer has visited Benevento, Avellino, Campobasso, Caserta, San Vittore, and AMG N.Z. Corps Main HQ Liaison Officer. In each place the senior officer was interviewed and, with his permission, whenever possible, the Prefects. It was a surprise to find that the Giunta Comunale is actually functioning in Region III and 5th Army areas, even north of the Volturno.

4. Captain R.H. Temple of the Sub-Commission has been on tour in Sardinia since 1st April.

5. Local Government on the lines approved by the Chief Commissioner is alive in Region III. The first meeting of the Giunta Provinciale Amministrative in Salerno Province was attended by officers of the first course as guests. An immense amount of business was done and the citizen members sat for the first time. It is firmly believed that these appointments and opportunities are producing and will produce a better and real feeling of responsibility in the rehabilitation of their country by the men of the people as opposed to career officials, and will play no mean part in stabilizing affairs.

6. The Royal Decree in regard to the reconstitution of Local Government is still under discussion with the Minister of the Interior. The Legal Sub-Commission has been consulted and has advised certain amendments.

B. Public Safety Sub-Commission, Colonel P. C. Kirk.

1. Conferences of Regional and Public Safety Officers have been held and uniform policies adopted.

2. Rations for Public Safety organizations have been an important item.

3. Regional Commissioners, police and Public Safety officers are all interested in the clothing and equipping of the police.

4. Contact with the Carabinieri is daily.

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5. There have been growing accounts of misconduct of Allied troops.

6. Replacement pools for Carabinieri have been established at Naples & Bari.

7. A tour of inspection is being conducted from a disciplinary point of view in the Guardia di Finanza.

8. The [illegible] civil defence are still static.

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6. Replacement pools for Carabinieri have been established at Naples & Bari.

7. A tour of inspection is being conducted from a disciplinary point of view in the Guardia di Finanza.

8. Fire control and civil defence are still static.

9. Licensing is going forward with a uniform system.

10. A scheme for de-fascistization in AMG areas has been proposed and will be considered at the meeting tomorrow.

C. Public Health Sub-Commission, Brigadier E.S. Turkinson.

1. The Typhus Board was dispersed. A Hygiene Advisory Board has been set up. The first meeting has been held with discussions of venereal disease, malaria control and sanitation of towns and villages.

2. The Italian Government has been asked to set up a VD Department and to take more vigorous action in dealing with pimps and clandestine prostitution. More

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hospital beds have been provided for prostitutes. There has been a slight fall in the VD rate among troops in Region I.

3. Malaria control is headed by Colonel Russell of the Rockefeller Foundation. A malaria survey of Sardinia has been made, as well as of other known malaria areas. Meetings have been held to ensure uniformity of action and cooperation. We are trying to get the Italians to cooperate as much as possible.

4. The increased rations in hospitals have been much appreciated.

5. A veterinary survey of Sicily has been made which shows that the Italian veterinary service is getting back to peace conditions and that biologicals are being produced in quantity. Directives have been sent out on the immunization of live stock.

6. Medical supplies are coming in regularly and distribution is better. Additional storehouses have been set up in convenient places. More clothing was received and distributed. There is a shortage only of certain items rather than insufficient consignments of supplies.

7. There has been a certain amount of pilfering of Red Cross clothing. Investigations are being made. Drugs have also been stolen in hospitals.

8. Close liaison with the Italian Government has been maintained with the view of eventually setting up a Welfare Department to meet the requirements of the Italian people.

Comments by Chief Commissioner: General MacFarland inquired regarding forage for Army mules in Sardinia. It was not definitely known, but reported that forage had to be shipped from the Mainland.

The Chief Commissioner commended the work of Colonel Russell and the Rockefeller Foundation Institute on the fine results brought forth in dealing with the typhus epidemic.

D. Legal Sub-Commission, Colonel G. B. Upjohn.

1. The Allied military courts have been requested to give to Regional Commissioners the right to review all cases of imprisonment. This is a most important duty, and it is hoped the Commissioners will do part of the reviewing themselves.

2. The Chief Legal Officer in a Region is a key man who can help the G.Cs to administer justice. It is noted that a sentence in a country district may not be adequate in a place like Naples, thus good legal advice is necessary in the Regions. As a further aid a book will be distributed shortly, "Justice Without Tears" which will be void of technical language.

3. There are 26 legal officers on loan in Naples. 4000 cases were tried last month. It has been discussed with the Italian Government whereby they will take over more of the legal work in Naples, as these officers cannot be left in this city.

4. The policy of putting across what we desire through decrees has proven

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4. The policy of putting across what we desire through decrees has proven satisfactory. The Italian Government is to reproduce in a week to ten days some decrees which we want in occupied territories.

5. The Italian Government has done useful work in getting a pool of judges as they come through the lines. A substantial number must be kept for Rome but we can help Brigadier Carr somewhat.

6. Fascist legislation has been reviewed. Many excellent laws were passed under Mussolini's regime. The bad Fascists laws are being weeded out.

7. A further directive from AFHQ is being awaited as to the requisitioning of Papal property. This is a very difficult question. Previous directives were very conflicting. As soon as instructions are forthcoming they will be embodied in a directive to the field.

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E. Education Sub-Commission, Lt Col E. V. Smith.

1. The High school youth organization has shown splendid work and has been very active. A concert to raise funds to further their organization was held in Palermo.

2. An investigation has begun in universities to see what kind of standards are operating underneath the routine.

3. A survey of schools was instituted in Regions III and IV trying to get a picture of what was here when we came and what is to will be here under AMG. We are trying to be constructive in the Italian system.

F. Property Control Sub-Commission, Lt Col C. B. Morris.

1. In Region I the process of taking custody of all Allied property is nearly complete. Also this is true in Region IV.

2. We have reached an agreement with the Italian Government as to the steps necessary to legalize the activities of the Property Control Sub-Commission under Italian law.

3. A satisfactory agreement on the financial side of properties has been reached whereby the Italian Government will advance necessary funds where the income is insufficient. They also agreed to advance funds in cases where war damage has been caused to properties.

G. Monuments and Fine Arts Sub-Commission, Major E. J. de Wald.

1. The reorganization of personnel has been somewhat of a problem but it is hoped that it will be satisfactorily solved.

2. There was supervision of activities in the field which Sub-Commissions had undertaken. In Regions I, II and III there were a number of monuments and churches needing attention as a result of war damage. Work in Region I is finished and is practically finished in Region II; the difficult problems are in Region III. These are of two kinds: (1) Repair of churches bombed. In the last German raid a very famous Renaissance church was struck and partly demolished. Due to efficient cooperation with Italian officials, repairs were completed in two weeks. (2) Buildings such as the Royal Palace which suffered damage due to looting or mishandling by troops. A commission was established to take care of such items.

3. Action taken on the recommendations of the Collier report include the following:

a. Care of National Museum, Royal Palace, San Martino, Portici, etc.

b. Preparation of draft regarding the Protection of Property of Historical and Educational Importance in Italy; submission of it to HQ AFHQ (Adm Sch); their issuance of it as Administrative Instruction No. 16.

c. The preparation of lists of protected monuments as required by the Administrative Instruction No. 5, Lazio and Abruzzi now in hands of printer.

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a. Care of National Museums, Royal Palaces, San Martino, Naples, etc.

b. Preparation of draft regarding the protection of property of historical and educational importance in Italy; submission of it to HQ AFHQ (Adm Sch); their issuance of it as Administrative Instruction No. 10.

c. The preparation of lists of protected monuments as required by the Administrative Instruction No. 8, Lazio and Abruzzi now in hands of printer. South Italy follows immediately and also Tuscany.

d. The preparation of ANSA publication on Art in Italy.

4. Inspection trips to the most important areas were made by the Director and Deputy Director.

5. In regard to the future we are ready for action as the Armies move forward.

6. This Sub-Commission came into being through the President of the United States and cultural sources in the U.S. and U.K. We are to give first aid to war damage where it happens but we are not just a sweeping up squad. It is our first duty to try to avoid there being damage to works of art.

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H. Vice President of Administrative Section, The Rt Hon The Viscount Stansgate-

1. Lord Stansgate stated his belief that all profit greatly by the Conferences. He expressed his desire to be more fully informed about the activities of the Economic Section since they are the backbone of the whole program.

2. Comment was made on the close contact which could be had with the Italian Ministries due to their advantageous location. We do know what is happening, even though we may know not what the man in the street thinks.

3. Lord Stansgate remarked that he would like to regard the Regional Commissioners as our "eyes and ears." It is necessary to hear from them more than just in the monthly reports. We need their impressions. The Headquarters is trying to build up the morale of the Italian people. The Regional Commissioners should fully inform the Sub-Commissions of the state of affairs as they note them. Lively daily contact is needed.

4. Reference was made to the fact that some directors object to the actions of Ministers in removing prefects. This is another item which should be brought to Headquarters attention.

5. Regarding visits to the field, 43 individuals have been in the field 165 days. We should be very glad to have men from the Regions in to visit Headquarters.

6. It is hoped that we may do something in the direct war effort. We must help the Anglo-Italian relationships and get the Italians' hearts into the war effort.

VI. Closing Address by Deputy Chief Commissioner, Captain Ellery W. Stone, USNR.

Captain Stone stated his belief that it had been a very constructive meeting because many had had numerous critical things to say. This is a healthy sign. Since ACC was created to take the business of government off the shoulders of the C-in-C, if everything were running smoothly there would be no need for us.

Feeding the Italian people was the first big problem. When they are fed they can tackle the cultural and other problems. A comparison of the children to be seen during our first days in Italy with those of today will show what ACC has done of worth.

Cooperation and coordination is needed in the Sub-Commissions. The fault here has been one of the omission rather than commission. There is a need for greater personal contact between those whose problems are similar, and between ACC officers and their Italian opposites.

The work of de-Fascistization is coming along with a decree being passed for the punishing of Fascist crimes.

The Communist Party's stand for cooperation with the King and Marshal Badoglio gives us hope for a broader-based government.

- -

The Conference adjourned at 1800 hours.

ROBERT E. DOE
Major, A.G.D.

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The Conference adjourned at 1600 hours.

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RESTRICTED

HEADQUARTERS ALLIED CONTROL COMMISSION
APO 394

MONTHLY CONFERENCE 30 MAY 1944

The Conference was opened at 0930 by the Chief Commissioner, Lieutenant General Sir Noel Mason MacFarlane.

Remarks by the Chief Commissioner:

Things are moving fast. This may be the last Conference to be held in Naples. With the resumption of advance by the Armies, all units are working well together as a formation. Under operational conditions, the Army AMG's and spearheads are doing a first class piece of work.

Regions IV & V have been cooperating admirably in getting their personnel into liberated areas. Region III has the big task of governing the 3 Provinces and Naples. Regions I, II, VI, & VII are engaged in controlling and assisting Italian administration. The main problems in the operational areas remain the same -- food and refugees. These problems are always with us. From all reports, it appears that the job is being done well.

Our task is to run our show so that the Commander-in-Chief and the other Commanders in the field will have nothing to worry about except their operational tasks. In this, ACC has succeeded very well so far. The greater the speed of the advance, the greater our problems will become, and we are planning things ahead to meet new situations which will stretch our organization to the utmost. We have had plenty of time to deal with Rome, and plans are laid. General Alexander has referred to ACC/AMG as his "Third Army". The combat Armies are doing admirably, and we must also deliver the goods.

I --- REPORTS BY REGIONAL CONTROL AND MILITARY GOVERNMENT SECTION.

Region I, Colonel A. N. Hancock.

1. The settlement of some of the problems in Sicily may lay the foundation for the solving of problems in the rest of Italy. There is an erroneous popular belief among outsiders that Sicily is a "land flowing with milk and honey."

2. The greatest problem is the wheat harvest. Others are food and local politics. From the end of June the Island is expected to provide its own daily bread. Sicilians desire to be self-sufficient and to shoulder the responsibility. The price for wheat is considered too low in view of the factors which enter into the cost of its production in Sicily. Machinery and equipment is primitive. Some incentive or premium will be necessary in order to get farmers to deliver their grain.

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3. The High Commissioner is making good progress under difficult conditions. He lacks full support from Government circles. During May he visited all nine provinces and was enthusiastically welcomed.

4. The new Badoglio Government was received with favor and political [illegible] but only in a minor

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3. The High Commissioner is making good progress under difficult conditions. He lacks full support from Government circles. During May he visited all nine provinces and was enthusiastically welcomed.

4. The new Badoglio Government was received with favor and political activity is more orderly. Separatist activity continues, but only in a minor degree.

5. There has been labor agitation for more and cheaper food or more pay. It has required much persuasion to keep electricity workers working. Railway labor is also affected and to lesser extent sulphur miners.

6. Public health is better than a year ago, but there is evidence that tuberculosis and rickets are increasing owing to undernourishment. Further observations are being made along this line.

7. The police forces, particularly the Carabinieri, are gaining in prestige. The discovery and arrest of a band of forgers was accomplished. Forty million counterfeit lire were seized. In Agrigento Province a gang of kidnapers was rounded up and arrests were made.

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8. Refugees are being received in groups of 500 to 700. An organization for dealing with them is functioning satisfactorily.

9. The present policy regarding schooner control is seriously affecting essential coastwise transport of foodstuffs. Particularly is Messina affected and it is still semi-isolated. Schooner aid for coastwise shipping is essential.

10. Current revenue is 50 million lire greater than for the corresponding period last year.

11. Staff reductions during May included 38 officers and 37 other ranks. The Province of Enna is now combined with Caltanisetta; Ragusa with Siracusa, and Trapani with Palermo. This will accelerate the assuming of responsibility by Italian authorities.

Comments by Chief Commissioner: It would have been well to have had the Supply Mission hear Colonel Hancock's report, as they talked of Sicily as a Utopia; this is not brought out by the actual facts. We should be careful in accepting remarks of visitors who may not be well acquainted with factual conditions. With reference to the price of wheat, the cost of production is higher in Sicily, but care should be exercised in differentiating between the areas. Inasmuch as Sicily suffered more from war damage than most of the other Regions, consideration will be given to the grant of a war bonus.

Labor difficulties have been met in other regions. The solution is not necessarily an increase in wages alone. The food ration must be raised and approval is being sought for this.

Region II, Colonel J. T. Zellars.

1. Political reaction and popular opinion:

Very little change during the period. Both remain moderate and somewhat apathetic. The Communist Party appears to be in the ascendency. Consolidation of public opinion is slow and almost entirely peaceful.

2. Local government - Political:

a. This problem shows some evidence of improvement. A new Prefect of proven quality has recently been posted to Bari. Italian labor organizations in Potenza Province can now function efficiently with only remote ACC control. The organization of the Granai del Popolo in Matera Province has been very thorough.

b. Defascistization continues at a slow, steady pace. Timidity and procrastination remain evident.

3. Economic resources and supply, with special reference to food:

a. Small industrial and agricultural plants continue gradually to renew operations.

b. The production and distribution of charcoal increased slightly during the month.

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3. Economic resources and supply, with special reference to food:

a. Small industrial and agricultural plants continue gradually to renew operations.

b. The production and distribution of charcoal increased slightly during the month.

c. Vegetables in fair quantity and variety are now within reach of almost everyone.

d. The chief interference with civilian supply and price control of agricultural products continues to be from Allied troops.

e. Transport of civilian supplies was very greatly aided during the month by the establishment of civilian haulage transport pools.

4. Agriculture, forestry and fisheries:

a. Food crops continue to be excellent. Only a disaster such as heavy rains or a spell of hot winds within the next two weeks will prevent a bumper crop of grain, legumes, and leafy vegetables.

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b. Forestry - No change in this situation, which remains satisfactory.

c. Fisheries - Some improvement in the collection and distribution, particularly in Bari Province.

d. Live stock - No serious shortage of farm animals except perhaps in Brindisi Province.

5. Labor:

a. Italian labor organizations have progressed.

b. The dock-side labor unrest at Taranto was appeased, at least temporarily by additional rations.

c. Plans are completed to utilize imported agricultural labor for the grain harvest, which has commenced.

6. Public works and utilities:

a. Much improvement in road and bridge repair, and in the organization of the Italians in this Region.

b. Plans now being made for reduction in consumption of electric power, when, and if, it becomes necessary.

7. Public safety and functions of Allied and Italian courts:

a. The number of felonies and misdemeanors has decreased slightly during the month. No serious crimes reported.

b. Italian courts remain too slow and too cumbersome to clean up old cases and to keep abreast.

c. A circuit court of ACC officials, acting under Italian law, is now in session hearing cases of serious offences against Allied interests; a new departure in the history of ACC.

d. The overcrowded prison situation remains unchanged except the cancerous spot of Bari, which has worsened.

8. Public health to include welfare and condition of the people:

a. Public health remains good. Smallpox in Taranto was quickly dealt with by prompt cooperative action on part of Allies and Italian authorities. 1 of 4

b. No increase in small amount of malaria, except in the vicinity of Barlette. Malaria control measures going fairly well.

c. Situation regarding Italian hospitals has continued to improve.

d. Programs for cleaning up towns and cities are progressing, with Matera

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c. Situation regarding Italian hospitals has continued to improve.

d. Programs for cleaning up towns and cities are progressing, with Matera Province in the lead.

e. Medical supplies are adequate for June.

9. Education:

Tendency to improve.

10. Refugees:

a. General situation greatly improved.

b. Organization by Italians has progressed. All provinces now have reception centers.

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c. None received during May to 20th. On hand approximately 27,000. Prepared to receive 15,000 in June.

11. Communications:

a. Roads - Much progress.

b. Rail - Little, if any, progress.

c. Telecommunications - Some, small progress.

d. Posts - Some, small improvement.

12. Property control:

Remains in good order.

13. Finance matters have improved in some respects.

Comments by Chief Commissioner: Asked for his opinion on the price of wheat in Region II, Colonel Zellars said that he would like to see it at 1100 lire. The Chief Commissioner commented that Lucifero, the new Prefect at Bari was good, but that a good man was still needed in Brindisi.

Region III, Colonel C. Poletti.

1. Region III has been pushing ahead in reorganization of local government.

2. In Naples the number of spurious ration cards has been reduced by 300,000. Nine other large communes throughout the Region are having this ration control extended to them. It has been found that cheating has been done by the bakers, rather than by the consumers.

3. Programs for the collection of revenue, public works, and production of tobacco have been initiated.

4. Efforts have been made to clean up Naples as well as other cities.

5. 150,000 vaccinations for smallpox have been completed.

6. The elimination of traces of Fascism is proceeding.

7. The glove industry is being renewed.

8. Success has been achieved in telling the people that the program is working.

9. Students have threatened to strike over the question of whether or not there will be an examination.

10. Whole-hearted cooperation has been given by every officer, and the cooperation received from PBS, the base sections, and No. 3 District has been greatly appreciated.

[illegible] the program of the "Gerenzi del Popolo":

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d. Posts - Some, small improvement.

12. Property control:

Remains in good order.

13. Finance matters have improved in some respects.

Comments by Chief Commissioner: Asked for his opinion on the price of wheat in Region II, Colonel Zellars said that he would like to see it at 1100 lire. The Chief Commissioner commented that Lucifero, the new Prefect at Bari was good, but that a good man was still needed in Brindisi.

Region III, Colonel C. Poletti.

1. Region III has been pushing ahead in reorganization of local government.

2. In Naples the number of spurious ration cards has been reduced by 300,000. Nine other large communes throughout the Region are having this ration control extended to them. It has been found that cheating has been done by the bakers, rather than by the consumers.

3. Programs for the collection of revenue, public works, and production of tobacco have been initiated.

4. Efforts have been made to clean up Naples as well as other cities.

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8. Success has been achieved in telling the people that the program is working.

9. Students have threatened to strike over the question of whether or not there will be an examination.

10. Whole-hearted cooperation has been given by every officer, and the cooperation received from PBS, the base sections, and No. 3 District has been greatly appreciated.

11. Regarding the program of the "Grandi del Popolo":

a. The amount of seed which farmers are entitled to retain for early sowing (1.80%) is satisfactory, but that for late wheat sowing (1.25%) is a little low. It was 1.80% last year and it is recommended that the farmers be allowed to retain 1.50% for late wheat.

b. Price. Public officials, church people and other informed people believe that the price of 1000 lire for wheat is too low. It is thought that farmers will not turn in grain at that price. Some indirect incentive might prove more fruitful than increasing the price. For instance, farmers who turn in their grain could be given the right to purchase certain things which they need; such as fertilizer, footwear (which sell for 3000 lire per pair in some places), clothing (Red Cross clothing could be given to farmers who cooperate).

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c. The food ration should be increased for everyone. This would be an effective means of breaking the "psychology of scarcity". A ration of 200 grams bread and 80 grams pasta was suggested. This would help to bring in the grain. The "psychology of scarcity" is the real problem. Separate ration scales for heavy workers should be done away with. If the rations are increased for everybody, then the worker can make the adjustment within his own family.

12. Dissatisfaction exists among police groups; namely, Guardia Finanze, the Carabinieri, and the Agenzia Publica Sicurezza, who are not on the same ration level but do the same type of work. There has been a little talk of strikes, but trouble is not expected.

13. Transport. 80 trucks were lost to Rome and 80 more are being lost. 20 trucks were promised to this region from Potenza, if 20 were released to Salerno. The 20 were released to Salerno but the replacements have not arrived. Many of the trucks on hand are unserviceable. Those which were released were serviceable trucks. Large quantities of hemp need to be moved; also food supplies, fertilizer, etc. Civilian transport is being put to use as much as possible. 30 days food supply has been laid up in Benevento, which aids the transport situation somewhat.

14. Progress has been made in black market control. Tightening up in one way often aggravates the situation in another. Bakers have been found giving wet bread or short weight. It is felt that the margin of profit for retailers should be increased. The narrow margin at present is an incentive to cheat on the part of bakers.

15. There should be an allocation of food to restaurants and soft drink manufacturers. They now operate on black market supplies.

16. There is an urgent need for tires. Civilian public officials cannot fulfill their jobs without transport. The agricultural officials must get out to see the farmers to urge them to bring in their grain.

17. Plans are under way for the production of leather goods and shoes. Many farmers prefer tanned leather from which they can make their own shoes.

18. Region III is now ready to be turned over to the Italian Government whenever the Chief Commissioner sees fit.

Comments by Chief Commissioner: General MacFarlane expressed his pleasure with the successful work in Region III in regard to ration cards. He asked Colonel Poletti what percentage the 300,000 represented. Colonel Poletti replied that it was 300,000 out of 1,100,000. These 300,000 were spurious cards held by the bakers. The Chief Commissioner congratulated Colonel Poletti and Colonel Kincaid on their cleaning up campaign in Naples.

The Chief Commissioner also remarked that the Cardinal had spoken to him personally in favor of abolishing written examinations for students.

Referring to the price of wheat, General MacFarlane stated that there was a great deal to be said for giving farmers other incentives. Asked what he personally thought the price of wheat should be, Colonel Poletti replied that his figure was 1400 lire, the cost of labor being very high in Region III.

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General MacFarlane said he was informed no more shoes or boots can be imported.

With regard to rations for the Agenti di Publicce Sicurezza and others, the Chief Commissioner pointed out that efforts are still being made to settle the matter.

General MacFarlane added his thanks to No. 3 District, PBS, and others for their help to ACC.

The problem of tires is also being dealt with; mention was made of the setting up of retreading plants in Bari and Naples. The emergency of trucks for Rome had to be met.

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The Chief Commissioner said that he agreed with Colonel Poletti on the subject of the desirability of increasing the ration. It would do much to stem the black market.

Region IV, Brigadier J.K. Dunlop.

1. The main function of Region IV since the last conference has been preparation for its task in the wake of the advancing Armies.

2. Provincial teams in men and equipment are moved forward when needed to come under the command of the SCAO's of the Armies.

3. Advanced Headquarters was opened on Route 6 near Sparanise. This move has proved valuable; cooperation with Armies has been close and cordial. The policy of having an Advanced Hq well forward close behind AMG's of 5th and 8th Armies will be continued.

4. The Littoria, Roma Province, and Viterbo teams are now under the command of AMG 5th Army Field. Rome Sub-Region team is under command of AMG 5th Army. We have been asked to take an immediate interest in agriculture, malaria control, and engineering works in the Pontine Marshes area.

5. In collaboration with SCAO 8th Army a proposal has been submitted for dealing with the area lying between the Rapido and Melfa Rivers and Highway No. 6. This devastated area will need a special organization to deal with it.

6. Supply arrangements have been coordinated with the Armies. Region IV domestic transport has in the past week moved well over 100 tons of stores for 5th Army AMG. Schooners came into Gaeta port on Friday afternoon, 26 May. This port was opened early due to [illegible] work of 5th Army AMG, Supply Commission here, Royal Navy and an engineer unit of the 5th Army.

7. The problem of transport remains very pressing. We have been able to put a little of the domestic transport of Region IV at the disposal of AMG 5 Army Field.

8. Doctors are scarce. A malariologist is to be put on a study of the Pontine Marsh problem.

9. Italian authorities are cooperating in connection with public safety. Carabinieri have been provided for Lazio Region. As Carabinieri are drawn from Gaeta pool for forward areas, replacements will be sent from Naples.

10. Regional Commissioners of Regions I and III have cooperated by releasing men when they were needed.

11. CAOs have often gone into communities 5 or 6 hours after advancing troops, taking food, medical aid and bulletins.

Comments by Chief Commissioner: Thanks are due to Brigadier Dunlop and Group Captain Benson for coming from operations to the Conference to tell their story. Region IV is a good example of planning ahead. It is essential that there should be close cooperation with Regions behind when the Armies move forward. There is

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Region V, Colonel F.L. Whitley.

1. Conditions have improved considerably. There has been an awakening of the people from their general apathy and they now realize that we are working for their good.

2. In general our efforts are to gather a big harvest.

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3. Politically the Region is quiet. A request was received from a Catholic youth organization to have meetings. This is being investigated. The Prefect of Foggia was a high Carbiniori official and is not identified with any political party. In Campobasso Province the new Prefect is a lawyer. He is enthusiastic and energetic and also has not identified himself with a party. A new prefect has arrived in Chieti.

4. The food situation is good. Vegetable farming is a big aid. Markets have a sufficient supply to take care of the civilians and the Armies too, should they want supplies. Warehousing is a problem. Warehouses have been occupied by troops and it will be difficult to move them out. An excellent harvest is expected, but labor is scarce.

5. One quarter million sacks will be needed to care for grain in Foggia. 25,000 sacks a day will be required to handle 2,500 to 4,000 tons daily.

6. As an aid for grain collecting, two to four ships of about 5,000 tons could be used to great advantage. It is expected that 350,000 tons of wheat and barley will be harvested in Foggia alone.

7. Communal agricultural committees have been formed. Provincial committees should have been set up first.

8. 1,000 Italian soldiers to work on farms arrived on May 26. Additional groups arrive every two or three days. They need clothing and footwear. Footwear should be provided for farmers working on the harvest.

9. 70 civilian trucks will be inadequate for grain collection. A 24 hour run daily is anticipated, and the maximum haulage for one truck per day is estimated at 30 tons. No difficulties are expected in Campobasso and Chieti, however.

10. Crime is generally low. Black market activities are being curtailed. The Army is still in a minor way active in the black market.

11. Public Health continues favorably throughout the Region.

12. Education is being well handled and refugee work is being carried on.

13. An extra allowance should be given to farmers who comply fully in collecting grain. The price of 1000 lire was considered to be satisfactory, but naturally the farmers were not satisfied.

14. There is a great need for leather throughout the area. The prices being paid for shoes are now far too high.

Comments by Chief Commissioner: Region V has to follow up the 8th Army on the right hand side of the front line just as Region IV is doing on the left.

Regarding the occupation of warehouses by troops, orders have gone out on the subject. The importance of vacating these warehouses is appreciated.

The ships mentioned by Colonel Whitley are to be used for coastal, not export overseas.

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Region VI, Brigadier M. Carr.

1. The general situation in Sardinia is satisfactory and steadily improving. There is a decrease in crime, food is more plentiful, regular transfers of the Italian Army are taking place, the prospects for harvest are very good, the internal transport situation is better, and morale has generally improved. No sulphur for future needs has yet arrived from Sicily, defascistization is making little headway, and there are still large numbers of prisoners awaiting trial.

2. There is very little political or subversive activity. The people are disappointed that no Sard was included in the new Cabinet. The main thought is that of uniting the nation and getting on with the war. This improvement in morale is due to the success of the Allied advance.

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3. Certain commodities are still awaiting shipment to the mainland. Approval for extension of night fishing areas has been sought. The ban on schooner sailings prevents further progress in the plans for inter-island trade. The question of use of spare space in Allied ships is being taken up.

4. Food. With an increase in local supplies, the food situation is generally satisfactory. There has been a good season in tunny fishing, and market prices of fish have improved. The price for grain has been received with satisfaction. The High Commissioner feels that neither price nor propaganda will get the farmers to bring in grain to be used in other communes, and he wishes to set up military commissions to enforce the crossing of grain.

5. Transport. The scheme for registration of all civilian vehicles, coming into force on June 1st, should help the civil transport situation. A number of vehicles will be driven off the roads, and we hope to use them for official purposes.

6. Public Safety. A considerable decrease in crime has been reported, 60% are robbery and theft cases. A further attempt to escape from the Island was frustrated. The number of demonstrations has diminished. One disturbance took place in the Nuoro area on May 3 regarding ownership of land. Civil courts are functioning again in the proper locations. The administration of justice is severely handicapped by lack of transport, but the courts are trying to clear up the cases quickly.

7. There has been some improvement in prison accommodation. Italian Army authorities are being pressed strongly to remove the remainder of military prisoners from civil jails. It seems impossible to get Italian authorities to take interest in the matter of giving provisional liberty to the civilians, or to deal with them quickly.

8. Public Health. The situation is satisfactory. There has been a reduction in V.D. rate. A consignment of 25 tons of American Red Cross clothing was received and the scheme for distribution is being worked out. Shoes are badly needed.

9. Italian Troops. Bet ween April 1st and May 20th, approximately 26,000 Italian troops transferred from the Island.

Region VII, Colonel R. G. Kirkwood.

1. General. Region VII was constituted on 23 April 1944, but headquarters was not functioning until May 1. The need for a firmer hand in ACC administration and advisory functions throughout Calabria was evident from the start. Progress has been made.

2. Staff. All officers, except one, ordered to Region HQ have now joined.

3. Peoples' Granary Program. The program commenced slowly but is now making steady progress. All preliminaries are in hand.

4. Labor. There have been labor disturbances, potentially but not actually serious, at Crotone and at the Sila Power Station. Neither situation has been satisfactorily settled, but both are quiescent. It is expected that the Italian Army will furnish labor for harvesting as needed. There will be an increase over former years in wages for harvest workers

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5. Legal. The Regional Legal Officer has established advisory liaison with all Italian courts and court officials. Cases are being tried at a faster rate.

6. Education. Schools are open, but the situation is unsatisfactory since supplies are badly needed, and too many buildings are still occupied by refugees and Italian troops. The teachers are working hard.

7. Property Control. In Cosenza Province all Allied property, and some personal and lease-hold property, has been taken into custody. Progress is being made in the remainder of the Region.

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8. Agriculture. Sulphur, binder twine, and copper sulphate for agricultural purposes have been received in the Region and are being distributed.

9. Communications. Telephone and telegraph service has been reestablished everywhere.

10. Public Health. Nothing unusual on ordinary communicable diseases. In addition to the Italian medical authorities, close cooperation has been maintained with the British Military Mission located here. Active control measures are being taken against malaria and venereal disease.

11. Economics & Supply. There is an increase in the use of rail transportation, but limited rail facilities make distribution of supplies difficult. A supply accounting system is being established. During May the whole system of supply distribution was reorganized to remedy the state of chaos prevailing at the time of taking over. Prices are now stabilized and uniform throughout the Region.

A large shipment of charcoal has been held up due to lack of rail transportation.

The generous ration authorized for harvest workers will put a severe strain on ration stocks in Cosenza and Catanzaro Provinces. The rise in prices has been gradual, except in the case of meat.

12. Public Safety. Crimes of violence have not increased. Measures to control prostitution continue. Allied soldiers are a problem and throw a load upon our provincial public safety officers. There are no military police except in Reggio; there is need for more. There has been an improvement in the morale of the public due to the recent successes of the Allies.

Comments by the Chief Commissioner: It was a good thing to form a new Region out of Calabria, since Region II was too big, and I am glad to hear of the good work being done there. Calabria is important for the olive oil production which is a very vital product in Italy.

Eighth Army AMG, Group Captain C. E. Benson.

1. I wish to thank Regions IV and V for their cooperation in the push forward. The Pescara team is operating under AMG 5 Corps and the various teams will be taking over the first part of the administration today or tomorrow in Aquila Province.

2. Today everybody is looking toward the Front. Here is a brief picture of the arrangements which have been made in the various sectors and what is happening in the battle areas:

a. Adriatic Coast: (5 Corps) The most important problem here is one of supply. We are building up a stock pile in Chieti Province of 2000 tons of flour. This will be sufficient to feed all Pescara and Teramo for one month. It is not wise to bring more supplies forward as yet. No advance has been made on this front except for the capture of one small town.

b. Central Sector: There is indication that the Germans are pulling out:

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b. Central Sector: There is indication that the Germans are pulling out: two small towns have been captured. One of them was completely ruined, the other 50% ruined, and there were practically no inhabitants. To meet the supply question on this front we are building up a stock pile of 300 tons in Castel di Sangro which will be fed from Isernia later on.

c. Fighting Front: In the area captured up to 30 May we have actually occupied ten places of importance. The population of that area in peace time was about 40,000. Cassino, Pico, Piedimonte, and Pontecorvo have been completely destroyed, and there is no chance of inhabitants returning. There are only about 300 people living in semi-destroyed farm houses. The Germans had cleared the whole of the Cassino Plain up to 15 kilometers from the Hitler Line, where the number of refugees is about 20,000. From the stock pile at Venafro food for 20 days was supplied to all the recently captured towns in this sector, and we have more to go on for the next advance. Very few inhabitants were found in these places; they had

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retired to the hills behind Roccasecca. We hear there are 20,000 ~~refugees who came~~ from Cassino, Pontecorvo, and Piedimonte. They are beginning to come down in huge numbers. It is practically impossible to stop them, and we are going to face a great refugee problem. In Gaeta, not yet captured, there are said to be another 20,000. The supply question is all right, thanks to Region IV, which is bringing food in from Gaeta.

The health situation is very good, only case of typhoid and 30 wounded civilians.

The banks have all been destroyed. The bank managers have gone, as have the C. Agrarios and the Sindacos, taking all the cash with them. There is no administration left and we must start afresh. No Carabinieri have been found, and only one P.A.I. We have brought in our own mobile police to stop civilians from coming back.

We have two serious problems. Medical personnel is short. Sick and wounded civilians have to be evacuated to backward areas, and we possess no ambulances whatsoever for this. For this reason more medical personnel is essential in the forward areas.

The second problem is that the Rapido River at Cassino has become a small lake. It is an excellent breeding place for malaria, and should be sprayed from the air.

Comments by Chief Commissioner: It would be a prudent plan to have at our disposal a number of trained Italian officials, so that we could put them in where the entire administrative machine had been moved. The Germans have not been feeding the people, and have even removed the existing livestock.

Fifth Army AMG, Colonel N.E. Fiske (in place of Brig. Gen. E.E. Hume).

Headquarters is moving today.

28 Communes have been taken over since the advance began. All of Naples Province is now under Region III, and five of the Communes of Frosinone Province are to be turned back to Region IV.

Food. Following the advancing armies, food has arrived almost immediately to the liberated areas. A stock pile of 150 tons has been set up at Terracina, and schooners are now unloading at the port of Gaeta.

Refugees. The second group of 11,000 refugees has been located. The situation is improving with the more rapid advance and less destruction.

Public Health. The shortage of trained medical personnel is keenly felt in the Fifth Army. In spite of the large number of civilian battle casualties, the health situation is good, except for the refugees from the Pontine Marshes. Sufficient medical supplies are available.

Public Safety. No serious crimes have been reported, except for the misconduct of the troops.

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Public Health. The shortage of trained medical personnel is keenly felt in the Fifth Army. In spite of the large number of civilian battle casualties, the health situation is good, except for the refugees from the Pontine Marshes. Sufficient medical supplies are available.

Public Safety. No serious crimes have been reported, except for the misconduct of the troops.

Rome. The Rome Administration is ready to go into the City, and the transport problem is being solved; we appreciate the trucks which have been turned over to us.

Comments by the Chief Commissioner: While visiting the areas which had been liberated at the front, he noticed that all personnel were doing their work very well indeed.

Refugee Branch (Italians), Lt. Colonel F. M. Brister.

1. Since the date of the last Conference the activities of the Branch have widened.

2. There are eight forward camps in the Eighth Army Area, both mobile and

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static, with a capacity of 4,600, and a smaller one in the Fifth Army area.

3. Main camps are located at Aversa, Capua, Foggia and Naples, the latter having three camps with a holding capacity of 11,000. The main camps on the West have handled 45,000 refugees including about 9,000 since the latest Fifth Army push, have dealt with 91 battle casualties, and treated 4,750 in camp hospitals. Each camp has an infirmary sufficiently large to take care of all except chronic and very serious cases. 10 to 30% of all refugees have been treated for scabies. In these camps there have been 25 births, 11 deaths, 14 weddings, 47 christenings, and many confirmations. 90,000 garments have been issued to about 30,000 persons.

4. Social, religious and educational activities have been instituted in addition to the vital ones of food, medical care, disinfestation, inoculation, registration, etc. There are also work facilities for the refugees; these include baking, shoemaking and tinsmithing.

Comments by the Chief Commissioner: The refugee problem is a big one, and the principal aim is to reduce their number as far as possible. We must either get them back to their families or move them to King's Italy where they will not congest the Army Areas.

Displaced Persons Sub-Commission, Colonel C.B. Findlay.

1. Our biggest influx is from Yugoslavia. We have been getting about 8,000 a month. They are a pleasure to deal with; they never grumble and are very cheerful and willing. We do not keep these Yugoslavs. 27,000 have already been sent to Egypt. We have had this ceiling raised to 40,000 and some will possibly go to North Africa. Last Friday we shipped 600 Jews to Palestine. We had more trouble with them than with the Yugoslavs due to the red tape tied around them by several governments, but the Inter-Allied Governmental Committee on Refugees was very helpful to us. The Jews had a considerable amount of money which they wanted to take with them but this could not be allowed. A receipt was given them which will be redeemable at a rate of exchange to be decided later on.

2. We have a Record Office where we keep particulars of all non-Italians in Italy which will be a help after the war. We have arranged for Red Cross messages to be sent to non-liberated countries.

3. Regarding Welfare, we receive great help from the Red Cross workers. The men have been good, and the women workers are most valuable. The Red Cross has released a quantity of clothing but needles and thread are needed.

4. Our hospitals are doing a good job. Yugoslav nurses are being used to release Allied personnel for other jobs.

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5. Regarding the future as we go northward, we shall come upon many internment camps. We have arranged to have these taken over. We will need more Allied personnel to look after them. I believe we could make use of wounded officers sent back from the front to Reinforcement Centers, when they are not being employed.

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Executive Commissioner, Brigadier Lush.

The Executive Commissioner, Brigadier Lush, said that the Regional Control Section tried to minister to the needs of the Regional Commissioners, the Refugees Branch and the Displaced Persons Sub-Commission, who had spoken that morning. The Section also passed to them the desires and instructions of the various Sub-Commissions co-ordinating this work and ensuring that it was carried out in the field. He expressed the gratitude of the Regions towards the Sub-Commissions who, particularly in the recent phases of the Commission's work, had been most helpful to officers in the field.

Brigadier Lush also emphasized the assistance which was always forthcoming from AAI. As an example he quoted the prompt arrangements made for the transport of 31,000 Italian soldiers from Sardinia to work in the Foggia harvest.

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The Executive Commissioner emphasised the necessity of conducting business through the proper channels. Apart from other reasons it was most essential in the work of the Commission to obtain from the Regions the views of the Italian people themselves. The Italians probably knew better than we what they wanted and what was good for their country and by obtaining information from the field we should avoid imposing upon them legislation or other schemes which might not be proper or suitable for the country. We had to build up from the bottom by knowing what the people needed and desired and what their reaction would be to proposals made by the Commission.

On the establishment side the Chief Commissioner might like to know how the 900 officers in the field were distributed. Figures were as follows:

Region I	-	83 officers.	These will be reduced. Less than 20 of them are Provincial Commissioners, the rest being specialists and financial experts.
Region II	-	70 "	
Region III	-	149 "	
Region IV	-	127 "	
Region V	-	145 "	
Region VI	-	39 "	
Region VII	-	39 "	
5th Army	-	56 "	
8th Army	-	87 "	
Roma Sub-Region	-	177 "	

Our policy was to reduce our strength in Italian Government territory but not so rapidly as would check the smooth running in advisory control. Where Allied troops were present in large numbers either in Military Government or Italian Government territory, there there was need for more Allied officers of the Commission. As the troops moved away, particularly in Italian Government territory, officers could be reduced. This axiom had a general bearing on the distribution of 1270 officers throughout the territory up to the Rimini-Pisa line.

Brigadier Lush stated that the Commission obtained ready help from the G-5 Section AFHQ. 93 promotions for American officers had been approved and more were under consideration, and after considerable delay the promotion of 170 British officers had been approved that morning.

Signor Zaniboni had been appointed by the Italian Government as High Commissioner for Italian refugees. At a meeting the day before Zaniboni had showed that he was fully aware of the apathy prevalent amongst the Italians regarding their own refugees. The High Commissioner appeared ready to start to work and to examine conditions in the provinces with a view to improvement.

In connection with the Displaced Persons Sub-Commission, as well as the Inter-Governmental Committee of Refugees, representatives of the War Refugee Board, Joint Distribution Committee, American Friends Society and the Friends Ambulance Unit had arrived in the territory and were working under the aegis of the Inter-Governmental Committee of Refugees. It was essential to co-ordinate the efforts of all these welfare and relief organizations to avoid confusion and duplication with other organizations such as the Red Cross.

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In reply to the Chief Commissioner, Colonel Hancock said that the staff in Region I (Sicily) had been reduced from an initial number of about 250 officers, first of all to 160 and now to 83.

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The Conference adjourned at 1245 and re-opened at 1430.

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II -- REPORTS BY INDEPENDENT SUB-COMMISSIONS.

Reports by the Army, Naval, and Air Sub-Commissions are included in the classified supplement to these Minutes.

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Communications Sub-Commission, Colonel J. L. Henderson.

1. This Sub-Commission has recently taken over Civil Censorship as a third branch.

2. In Italian Government Territory communications for civilian use have been restored. About 70% of the total number of telegraph offices in Italian Government territory are in service.

3. The civil telephone service is now authorized for calls within provincial boundaries. About 12% of the communes now have telephone service, including all the larger towns. Direct telephone service is available for official use from Salerno to all provincial capitals on the Mainland and to Palermo, Messina, and Catania in Sicily.

4. The following new services have been started:

a. Registered, insured and express letters.
b. Newspaper post.
c. Air mail Italy, Sicily, Sardinia, Tripoli.
d. Maximum letter weight raised from 90 grams to 210 grams.
e. International Red Cross Service.

5. The first inward foreign mail arrived in April and included letters from the U.S.A., U.K., Africa, India, and Australia.

6. The volume of mail handled at Naples is over a million letters a month plus a quarter of a million prisoner of war letters.

7. The Civil Censorship Branch has increased the staff of this sub-commission by about 50 officers and 50 enlisted men. This branch will cover mail, telegraph, and telephone censoring.

8. During May a policy was decided on by the Chief Commissioner, in agreement with AFHQ and AAI, to turn over the operational control of civil censorship in Italian Government Territory to the Italian Government and simultaneously to permit control to be exercised by the Italian Military authorities. The transfer will be effected next month. The transfer of control to the Italian military authorities is made to place the censorship on its proper basis as an instrument of military security and to avoid any continuance of censorship as a political matter.

9. The Communications Sub-Commission has also gone into the question of releasing accommodations held by the Armies. Many post offices are occupied by troops or offices of the military.

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Public Relations Branch, Major L. Fielden.

1. Representatives have been sent to Regions I and VI and to 5 and 8 Armies.

2. We have continued the publication of the Weekly Bulletin.

3. The Public Relations Branch notes trends of opinion. The exchange of representatives between the Russian Government and the Badoglio Government brought the entire Italian set-up under review in the Italian press.

4. Cooperation received from some parts of ACC has been extremely good. If the sub-commissions will cooperate we can give a good show in the press. By the middle of May we had a good showing in the Allied press and there were headlines in the New York press saying that ACC was now in capable hands.

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5. News of AMG operations in the front are difficult to get across since cables are limited. However, the press has used many reports from the front recently.

6. A difference is noticed between the British and American press. Here there are only two British correspondents, both well up with Italian affairs. They comment very little indeed. There has been a score on the American side who are up on politics. They write a great deal, filling columns of the American press. We can deduce that the British public is not as interested in politics.

7. The Allied Publications Board has to deal with licensing of papers in liberated Italy. This is a difficult question. We are extremely short of newsprint and there is insufficient censorship personnel. Priorities have been drawn up. Papers which will be given precedence are in three categories; namely, morale papers with Allied news and propaganda, papers for the political parties, and cultural and religious papers. These priorities necessitate having publication centers where the priorities will come into operation and censorship can be done.

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III - ADDRESS BY CHIEF COMMISSIONER, LIEUTENANT GENERAL SIR NOEL MASON MACFARLANE.

The chief event in the political field has been the formation of the new Government including representatives of all six political parties which had previously been in opposition. The new Cabinet is pulling together well but has hardly had time to prove its strength. The new Government has been quite well received in Rome and Northern Italy.

The King will transfer his powers to the Crown Prince when the Allies reach Rome. It is hoped that the badly needed political truce will now continue, and it is also hoped that political structures available in Rome will further strengthen the matter.

The new Government has taken over all obligations to the Allies of its predecessors. It has collaborated well with ACC. The price of wheat was settled in close collaboration with the Italian Government. We shall be able to find out, through trial and error, any adjustment that may be needed. No efforts will be spared to get the best amassi possible. A large number of people, including the Church, has been preaching this to the public.

The unfortunate results of an interview given by the Crown Prince to the TIMES threatened at one time to produce friction and injure harmony, but both sides agreed quickly and sensibly to let the matter drop.

Since the last meeting, a great deal of work has been done in preparing for the coming harvest, and equal efforts have been made in getting ready to follow up the Armies so that ACC can take over and carry on when new regions are reached.

One of our headaches is the threat of inflation, which has been gradually growing. The Anti-Inflation Committee is now reaching the end of its work, and will produce shortly its recommendations to end this menace.

It is our job to run Italy and give our Governments the picture from the Italian angle. From our angle it is becoming increasingly obvious that the primary means for encouraging the amassi and the harvest, and the solving of a large number of our major difficulties is to increase the food ration.

With regard to our internal administration, we must have cooperation and liaison between the many different units in our large complex organization. The larger and more complex the organization becomes, the more essential it is for work to pass through normal channels, and only in cases of emergency should deviation be made from this policy.

We are glad that Messrs. Murphy and MacMillan, some of the members of the Advisory Council, General Lumell, Colonel Spofford, and Mr. Lloyd are present. We are also glad to have our friends from the Red Cross, and we all know just how much we owe them in the field.

IV -- REPORTS BY ADMINISTRATIVE SECTION

Interior Sub-commission, Lt. Col. R.G.B. Spicer

1. The most outstanding event since the last report has been the publication of Royal Decree No. 111. This decree puts local government on a uniform and approved basis throughout Italian Government Territory, and by implementation, which has been effected, will insure that a uniform system is adopted throughout Military Government Territory, thus eliminating various and varying regional orders.

2. In regard to the institution of local government bodies, the progress is slow, but undoubtedly depends upon the personalities of the Prefects and of some Regional

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2. In regard to the institution of local government bodies, the progress is slow, but undoubtedly depends upon the personalities of the Prefects and of some Regional Commissioners.

3. Wherever a Giunta Comunale has been established, it has been a success. It is essential that officers of ACC or AMG who say "I can't be bothered with a Giunta--I want one man", be firmly instructed to adopt a different attitude.

4. Survey and report tours have been made by officers of the Sub-commission, and observations are being sent to Regional Commissioners.

5. The third course organized by this Sub-commission was held for the purpose of instructing officers in the more intricate details of local government. 43 officers have now attended.

6. A fully cooperative and harmonious working liaison has been established between the new Minister of the Interior and his staff.

7. Every encouragement should be given to the democratic institutions of local government, and those responsible in the field must carry out that program with enthusiasm.

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6. The Italian Government is short of trained administrative officials. A Prefect pool is being formed at the moment, so these officers will be available when wanted in the forward areas. Men will not be drawn from this pool, however, if there is a suitable local man available.

Public Safety Sub-Commission, Colonel A. E. Young.

1. There have been indications of increasing confidence and assertiveness among the Carabinieri and Guardia di Finanza.

2. Replacement centers for Carabinieri personnel have been set up at Bari and Naples. Feeding of Carabinieri and Guardia di Finanza is now satisfactorily settled by provision of either Allied or Italian Military rations. Clothing is the most pressing need.

3. The decree of 6 December was rescinded by the Council of Ministers and no militia will now be permitted to transfer to the Carabinieri.

4. Minister of Interior is making re-disposition of Questori to give the greatest effect, and also making provision for appointments which will be necessary as a result of the Allied advance.

5. Italian Army supplies are not available for Agents of Public Safety. Arrangements are being made for Heavy Workers' ration. First supply of footwear has already been received. Clothing is still needed. Great assistance has been received from Industry and Commerce Sub-Commission in this matter.

6. The prison crisis which was evident at the beginning of the month has now considerably abated. Crimes of violence and disorder are still appreciable but give no real cause for anxiety or alarm. The forgeries in Sicily are of high standard. 38 arrests have been made and the matter is well in hand.

7. For reasons of military security an inter-provincial control of movement in AMG territory has been imposed. The restricted movement may affect economic rehabilitation, but the results even in a short period of operation have been highly satisfactory.

8. Acting in conjunction with the Italian Government, motor vehicle licensing has been standardized. This will facilitate road checks to reduce unauthorized civilian vehicles, unnecessary travel, and improper use of Allied petrol.

Comments by Chief Commissioner:

Asked whether the Carabinieri for Rome were without sufficient clothing, Gen. Browning said that all possible was being done to provide clothing for them, and the remedy was in the hands of the Carabinieri, who must get their clothing factories working. If they could not supply their own needs, we should have to furnish them with battledress.

In reply to the Chief Commissioner's query, Colonel Young stated that he hoped there would be some Carabinieri in Rome whom we could employ.

Public Health Sub-commission, Brigadier G. S. Parkinson

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Public Health Sub-commission, Brigadier G. S. Parkinson

1. There have been no deaths from the smallpox epidemic. The vaccinations have all been "taking", thus showing the general susceptibility of the population.

2. Malaria is one of the greatest problems we have to face. We have in Naples a first class malaria control unit, and we are fortunate in having members of the Rockefeller Foundation. The work being carried out is on the control side and the experimental side. Good results have been obtained is using DDT powder as a larvicide instead of Paris Green. Pumping work is being carried out and an allocation of planes has been obtained for use in spraying breeding places. Posters have been printed to help inform the public. The Pontine Marshes constitute a hazard, but restriction on the movement of population would help. In a recent test, it was found that 50% of the population are potential carriers of malaria.

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3. Venereal disease control is still not satisfactory. In Naples, 2000 hospital beds for prostitutes care for about 3500 a month. The problem among troops is one for unit control which military authorities should take up.

4. Medical supplies are coming in well except for some articles. It is hoped that two laboratories will be functioning in Naples shortly.

5. Sanitary conditions in towns have improved beyond our expectations.

6. The great difficulty is transport. Ambulances are needed to evacuate sick and wounded from the front areas.

7. Personnel is desperately short. Italians have been helpful, and Italian medical officers are being employed.

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The report by the Legal Sub-commission is included in the classified supplement to these Minutes.

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Education Sub-commission, Lt. Col. T. V. Smith.

1. Little has been carried out with respect to dorequisitioning, but more is being done about finding outside rooms, and doubling or trebling shifts of classes. In Avellino Province, there has been experimentation with tents as school houses.

2. Our collaboration with the new Minister of Education has been satisfactory. The Ministry is approaching its problems seriously and energetically. It is moving to lift the Fascist ban against foreign professors, to complete the work of defascistication in the schools, and to strengthen the school system from bottom to top.

3. There have been student strikes against lengthening of the school term in Sicily. The Minister is determined to improve educational standards. He complains that our own publicity overplays student demonstration, and stimulates into articulate exhibitionism a perfectly natural but otherwise unexpressed student uneasiness.

4. Inspection visits to Calabria and Sicily have been made. Classes were visited in many schools, and school officials were engaged in earnest discussion of two main problems; the completion of a card file on defascistication, and the compilation of dependable statistics on school plants, school attendance, school administration, etc.

5. Much experimentation has been going on in AMG Region III in the field of youth and adult education.

6. The distribution of text books is now complete. While we have not been able to print all required, the 200,000 distributed have made more than a dent upon the pressing need. We now approach the task of printing more than a million during the summer, and a supply of good quality paper has been received from the U.S.A.

Property Control Sub-commission, Lt. Col. C. R. Harris.

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Property Control Sub-commission, Lt. Col. C. R. Harris.

1. The Italian Government has passed a decree abrogating the application of the War Law of 1938 to the property of Governments and Nationals of the United Nations and France. Arrangements have been made for a formal distribution of the same to the owners, and in their absence, to the Property Control Sub-commission. This decree will be published in a few days, and it will be applied to Military Government Territory.

2. Financial arrangements have also been agreed, under which the Italian Government will advance such monies as are required for the maintenance of United Nations and French properties.

3. Real properties will continue to be managed by the banks appointed for

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this purpose, under the direction of the Property Control Sub-Commission.

4. Relations with the Minister of Finance have been admirable. He appreciates that the property of foreigners in Italy must be properly treated.

Monuments & Fine Arts Sub-Commission, Major P. T. de Wald

1. Administrative

a. Pamphlets of Protected Monuments in Italy, Nos. 1 and 2 have been distributed. There were many demands for these in Sardinia and Liberated Italy. During last week List No. 3, Lazio, Abruzzi and Molise were distributed to the Fifth and Eighth Armies. List No. 4, the Marches, Tuscany and Umbria has just come off the press.

b. Liaison with MAAF established. MAAF has requested information and lists. Lt. Hart went to Sardinia for the editing of information concerning air-damage in enemy occupied Italy from air-photographs. An air-damage file has been set up.

c. Liaison with Italian Officials. We have held fortnightly meetings with officials of the Italian Government concerning preservation of monuments and art treasures.

2. Activity in the Field. Major Newton reported on the condition of the Monte Cassino Abbey. Two officers were sent to the Fifth Army, one for the field and the other for Rome.

Comments by Chief Commissioner: All appreciated the issuance of the Guide to Rome and Lists of Monuments for the Services.

Vice President, Administrative Section - Air Commodore The Rt. Hon. The Viscount Stansgate

1. Air reconnaissance photographs reveal the condition of a city as the Germans retreat and can prove if damage was done by the Germans themselves. The Air Force crews are willing to risk themselves in order to have places of artistic value marked on maps. This consideration for the preservation of art treasures is something new in the history of warfare.

2. It was with pride that the Administrative Section contributed to the work described by Lt. Col. Forster and Group Captain Benson.

3. We work in close collaboration with the Italian Government, in order to show our confidence in them to pave the way to the day when Italy will govern itself.

4. Everywhere there are welcome signs of recovery.

V — REPORTS BY ECONOMIC SECTION.

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V — REPORTS BY ECONOMIC SECTION.

Industry & Commerce Sub-Commission, Colonel W. Evans.

1. Survey of the utilization of the industrial resources for:

a. Products needed by the Allied forces. A considerable contribution has been made in the production of industrial gases. Various hemp products include canvas, rope, twine, and sacks. There has been some cement production, and engineering materials have been allocated to the Services.

b. Products needed to meet essential civilian requirements.

(1) After food, fertilizer is one of the most essential civilian

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requirements. It is being produced in Sicily.

(2) Textiles and shoes. Requisitions for Regions I to VI were submitted to, and passed by G-5, AFHQ, but it is not known if they will be supplied.

(3) Fabrics. Arrangements have been made to repair Army uniforms, but there will be only about 100,000 available by the end of the year. Cotton cloth manufacture can be stepped up. Requisitions for raw cotton have been submitted. There are some stocks on hand, and some is being imported.

(4) Footwear. The lack of shoes is more critical than that of clothing. A great number went into the black market. The draft of proposed legislation to control the situation was submitted to the Italian Government; in the meantime, all leather has been blocked. A request for 500,000 shoes as immediate essential requirement has been made to AFHQ. As a temporary expedient, we have organized a factory to repair shoes. We cannot get more leather which is badly needed.

(5) Glass. No coal could be supplied for the manufacture of glass.

(6) Paper. There is no possibility of making paper in the available factories without cellulose.

(7) Tires. The tire situation is serious. No local resources are available, and importation of tires is imperative.

(8) Other essential civilian requirements produced or about to be produced are tobacco, soap, and matches.

c. Products needed by the United Nations such as almonds, argols, bergamot oil, citric acid, cadmium, lemons, oranges, sulphur, and wines have been exported to the value of approximately L. 400,000,000.

Comments by Chief Commissioner: A Factory Coordinating Committee with the Services is being established.

Labor Sub-Commission, Colonel J. R. Bain

1. During the month our main energies have been directed to labor disputes, allegedly impending stoppages and the consequent examination of wage structures to ascertain what are the facts in each alleged grievance. Reasonably satisfactory progress has been made.

2. The answer on the labor front is food, not wages. A general increase in wages will merely inflate the cost of commodities that are available.

3. Unfortunately, we find that whenever workers ask for an increase, even AMG officers, under pressure, urge, "Give them something." The result is that the

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3. Unfortunately, we find that whenever workers ask for an increase, even ACC officers, under pressure, urge, "Give them something." The result is that the Labor Sub-Commission has the appearance of being the only body to say "No."

4. Always there is the implied threat of a strike. I don't believe we will have a strike, and even if we did, it would not last, and perhaps a trial of strength is necessary. We cannot continue to raise wages because of pressure.

5. The Italian is good at "back door" methods, often the easy way; but he should be stopped and made to face the facts honestly.

6. There is an absence of respect for the authority of the Italian Government.

7. The answer is more food. There can be no general increase in wages. The food position is improving.

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8. A few examples of what we have found may be of interest, and help indicate that things are not as they appear on the surface and that there appears to be sabotage of our effort to preserve the economy of the country:

a. Always the "base wage" is quoted, but there is in addition Temporary Increase, Family Allowances, and about 54 Indemnities.

b. L. 1000 loan when told NOT to; 150% increase on one indemnity; British officer 'approved' wage increase on his own.

c. Wholesale upgrading to get into higher wage group; 'forgetting' important elements in wage; 'forgetting' advances in kind repaid at ridiculously low rate; 70% on each item NOT on total.

9. We must not go to Rome with a mental or actual precommittment of wages higher than the Army scale. The ration, it is believed, will be the same; only after a period of trial will examination of the wage situation be considered.

Comments by the Chief Commissioner: The work of the Labor Sub-Commission is one of the most difficult and thankless jobs to carry out.

Regarding the increase of food, this matter is more important than currency, inflation, and labor wage problems.

The Chief Commissioner stressed working together as a team. This crops up frequently in the work of the Labor Sub-Commission, because people are apt to forget that we have one authority to control labor and wage questions, and quite naturally there is a tendency to deal with these questions as they arise. The proper court is to consult the Labor Sub-Commission before deciding them. This applies mostly to the Services, who should work in close collaboration with this Sub-Commission.

Agriculture Sub-Commission, Lt. Colonel W. A. Hartman.

1. Agriculture.

a. Crop condition. Better than average. Field observations indicate that with continued good weather we will have higher than normal yields and a bumper crop.

b. Amassing. Progress in establishing organization and amassing machinery is well in hand. Six Royal Decrees will soon be passed for the blocking of crops on farms. Necessary forms are being distributed to the field as rapidly as they come off the press. People's Granary, Bulletin No. I, released on 12 May, contains a summary of suggestions which may be helpful to ROs and PCs. Bulletin No. II contains an outline of action taken in Matera Province, to ensure the collection of a maximum amount of wheat.

Every effort is being made to

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c. Sacks, Binder Twine and Warehouses. Every effort is being made to locate all available sacks and allocate them according to the needs. Supplies of binder twine are being shipped to the most important wheat production areas as rapidly as availability permits. They may be a little short. Imports during June will be transported to the most critical areas as soon as the ships arrive.

d. Other Agricultural Supplies. Copper sulphate, ammonium nitrate, rope, bailing wire, super phosphate, and other farm supplies have been allocated.

2. Fisheries.

a. Thirty tuna nets have been placed in position in the waters adjoining Sicily, Sardinia, and the mainland. A preliminary estimate of the catch of tuna is between 1500 to 2000 tons.

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b. Arrangements have been made for a schooner service between Palermo and Naples for importing surplus tuna to Naples. The first ship should arrive on June 5th.

c. 175 fishermen from the Island of Procida have been transferred to the Calabrian coast to increase the catch of fish for consumption in Naples. A minimum of 500 qtls. should reach the Naples market each week following May 27.

d. The Allied Flag Officer for Western Italy has authorized fishing with lights 1½ hours before sunrise and from dusk to 1½ hours after sunset in the Gulfs of Naples and Salerno. Night fishing has also been authorized off the coast 15 miles south of Salerno to Reggio. This will result in a considerable increase in production.

3. Forestry.

a. A coordinated fuel wood and charcoal production and distribution plan has been prepared to eliminate the present competition.

b. Following a conference with the Ministry and with key Italian Forestry officials reorganization of the Royal Forestry Corps and the development of a coordinated timber harvest and sawmill program will take place to meet civilian and military needs, especially for constructional timber.

Food Sub-Commission, Colonel W. J. Legg.

1. General statement of Food Situation. Arrangements have been made for the importation of supplies and the forwarding of food to the Eighth and Fifth Armies. Plans have been laid for the supplying of Rome. The overall situation is satisfactory, and represents about 30 to 40 days supply for the whole of occupied Italy.

2. Plans for Distribution of Grain from Surplus to Deficient Areas. Distribution problems are increasing. We are ensuring an adequate supply of flour for harvesters. We are constantly in touch with Eighth and Fifth Armies to ensure their immediate supplies and to make plans for the opening up of advance supply depots.

A twenty days supply for Rome has already left. It includes flour and other foods, hospital comforts, and a large supply of incidentals such as matches, soap, milk, and coffee. Further supplies will be sent forward in accordance with the Rome supply program.

3. New Ration Scale - Heavy Workers. A new heavy workers ration scale will operate from the first of June and will eliminate the difficulties ~~arising~~ 21/25 to the heavy workers rations. All workers directly employed by or for the Armed Forces including public utilities workers, foresters, and firemen, will receive increased rations.

The ration of pasta in the "A" Scale is 100 grams a day for heavy workers. This will be increased to 113 grams. On the "B" Scale a ration of 50 grams of

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The ration of pasta in the "A" Scale is 100 grams a day for heavy workers. This will be increased to 113 grams. On the "B" Scale a ration of 50 grams of pasta a day is permitted. In this way the division between the Army workers and the non-Army workers is maintained.

Through rationing and enforcement measures we are cooperating with Region III to reduce the number of forgers and counterfeiters. There has been a reduction from 15 to 7% since May.

4. Ration Cards - Progress Report. Plans have been laid to build up a record of persons entitled to bread ration cards. This is being prepared by the Regional Commissioners and the information will be available by 15 June. We will be able in time to issue a national ration card.

Plans have been laid for the movement of grain during the forthcoming

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harvest and details will be circulated to the Regional Commissioners.

There is a good number of sacks in the hands of the Provincial officials. They were frozen at one time by the Food Sub-Commission but have now been released for the harvest.

Comments by the Chief Commissioner: Asked by the Chief Commissioner, Colonel Legg said that an adequate supply of milk would be available for the children of Rome.

Public Works & Utilities Sub-Commission, Lt. Colonel L. A. Jenny.

1. Military Highways. Military highways and bridges are being reconstructed throughout occupied Italy. We have been directed also to take over military highways in Sicily and Sardinia. An extensive requisition has been made for highway construction equipment from the United States. Considerable difficulty is experienced in financing projects, and at times money is not available to pay contractors.

2. Rates for Utility Services. Considerable progress has been made. More applications for rate adjustments for gas, water, and electric companies are expected as soon as the Decree permitting increases in Italian Government Territory has been passed.

3. Electricity Rationing. Local Boards have been set up in accordance with the Italian Decree, working under the general supervision and direction of this Sub-Commission. The problem of further rationing with the movement forward of our Armed Forces is being given consideration.

4. Power Line to Rome. Several hundred men are at work on the reconstruction of this line, following the Armies as closely as possible. Field supervision of the work is under direction of PBS, with an electrical officer of this Sub-Commission to assist. Any apparatus designed for 150 volts alternating current would not function in Rome, since they use a different voltage.

5. Assignments to Regions. An effort has been made to assign Public Works and electrical engineers to Regions where required.

6. Inspections. The new Minister of Public Works and the Director of this Sub-Commission made an inspection trip through Sicily. Visits were also made to Region V and Region II to settle certain important outstanding military problems.

7. Malaria Control. We are cooperating with the Malaria Control Branch of the Public Health Sub-Commission.

Finance Sub-Commission, Colonel E. H. Foley.

1. As part of the reconstitution of the Italian Cabinet on 21 April, Lt. Colonel Guido Jung resigned as Minister of Finance and was replaced by Ing. Quinto Quintieri (non-party), president of the Bank of Calabria, and Dott. Antonio Pesenti, Communist Party, a former professor of Economics, jailed by the Fascist Government in 1934, has been appointed Under-Secretary. These officials have shown themselves to be very cooperative.

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2. Colonel Grafftey-Smith, Joint Director of Finance Sub-Commission, and Colonel Crawshaw, Chief Accountant, recently returned from London, where various problems in connection with accounting for funds and supplies were discussed.

3. In order to coordinate ACC policy in the field of inflation control, the Chief Commissioner has appointed the Allied Anti-Inflation Committee with the Deputy Chief Commissioner as Chairman. This Committee, which includes Mr. Harold Glasser of the U. S. Treasury and Mr. E.M.H. Lloyd, the British Financial Adviser in the Middle East, is reviewing all current anti-inflation measures and will make recommendations.

4. Progress has been made on revisions of taxation measures and on the preparation of the budget for the next fiscal year.

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5. Detailed financial plans have been laid for the occupation of Rome. The Ministry of Finance and the Banca d'Italia have designated representatives who will proceed to Rome and, under the orders of the Senior Finance Officer, Fifth Army A.G, aid in maintaining continuity in bank operations and control. The central records of the Finance Ministry, the central bank, and the Exchange Control Institute will be safeguarded.

6. The personal remittance system is functioning smoothly and at the present time it is estimated that payment orders amounting to more than 500,000 dollars have been issued by U. S. Banks and 3,000 pounds by the Bank of England to the Italian banks responsible for making payment to the designated payees in Italy.

7. A new form of counterfeiting appeared last month in Region I. The gang was arrested and plates, press, and notes seized.

8. The competent Italian Ministries have agreed in principle to the employment of the Magazzina Generali as the agency to handle and account for civilian supplies in Region III.

Transportation Sub-Commission, Lt. Colonel L. E.Vining.

1. Railways. Military control on the mainland and in Sardinia is still maintained. Since 1 April the responsibility for the operation of Bari Division was taken over by the Italian State Railways. Technical personnel however still continue operation in the Ports. The volume of civil freight traffic again shows an increase.

A revised system of securing rail transportation has been issued for ACC and civilian traffic in order to:

a. simplify rail movement;
b. maintain a stricter control of consignments;
c. ensure that no unauthorized traffic is moved.

2. Road Transport. 604 British and American trucks were made available to the various Regions and A.G.

The Italian Government will shortly standardize, by Royal Decree, all road haulage tariff rates in Italian Government Territory. Another Royal Decree will bring all civilian vehicles into Regional and Provincial pools under penalty of confiscation. It is anticipated that through the Consorzies, all civilian trucks will be brought under control and be available for transportation of essential supplies under ACC direction.

3. Schooners. Movements by schooner have increased but it must still be regarded as an unreliable means, although the tightening of control should improve matters. A new scheme formulated by MEDSO for the operation of schooners is now awaiting final approval.

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The DSTO retains a prior call on all schooners and it appears doubtful if many will be available for civil movement as rail devastation in forward areas is likely to cause an extra call for schooners.

The amount of movement required to and from Sicily and the mainland is such that it appears coastal schooners will have to be kept to a minimum.

Shipping Sub-Commission, Mr. Ian Campbell.

The main item of interest has been the appointment of Lt. General Mattcini as Head of the Italian Merchant Marine replacing the former Minister who was removed at the suggestion of the Shipping Sub-Commission.

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Schooners. The number of schooners available has a total capacity of 39,000 tons. The cargo carried by this fleet will reach a total of 31,000 tons. The actual chartering of the schooners will be handled by an Italian Government agency, which will help bring about a better cooperation of the schooner fleet as a whole.

Schooner traffic tends to help the black market, but the permit system as a control is helping to arrest this traffic, and the transportation of unauthorized persons is also coming under control.

Deep Sea Vessels. These are generally in a poor condition with the exception of those which were trading at ports not in the Mediterranean. They are being repaired by us and put back into service.

During the past month two Italian tankers and one passenger vessel have been placed under Allied control, having been released from Portuguese ports. There are eight more to come from Spain. They should be released soon, as the crews have reached Gibraltar to man them.

Schooner traffic between Sardinia and Naples will begin soon.

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Vice President, Economic Section - Colonel D. S. Adams (for Hon. Mr. Henry Grady)

1. With the occupation of additional areas the Regions must be adequately staffed with the necessary technical officers; this because of the ceiling established for total officer personnel. It is necessary that we call forward from longer established Regions, officers to staff the new Regions. This will require numerous changes of assignment. A complete and correct file of all our sub-commissions' personnel and their respective assignments is maintained by Headquarters Economic Section. Changes of assignment must be worked out with the Sub-Commission concerned, the Establishment Branch, and cleared with the Regional Commissioner. Every effort is being made to cooperate with the interested parties in order that these changes will create the least disturbance and in order to make the best use of our limited number of officers.

2. A development since our last meeting has been the establishment of a Coal Division, which has been placed in Transportation Sub-Commission; this for the reason that the importation and distribution of coal was handled by a subsidiary of the Italian State Railways, which are under the jurisdiction of the Ministry of Communications, with whom the Transportation Sub-Commission deals on various matters. This division is now engaged in working out a plan with the Italian Government for the development of a civilian organization that will be competent to take over and handle the importation and distribution of coal. This Coal Division will become the agency that eventually will screen all of our coal requirements and deal as an ACC agency, direct with AFHQ on these matters. This should ensure much greater consideration being given to coal requirements for essential industries.

3. Trucks are limited in number and too much importance cannot be placed on the matter of maintenance. Trucks have to be allocated to the various Regions on the basis of their real needs only. In forward areas a splendid job is being done in getting truck loads of food into towns, many times within a few hours after their capture. However, it is still necessary that we maintain the fine record made in clearing our supplies promptly from Naples port, as well as other ports, and transport must be continued in other rear areas for the distribution of supplies and the handling of the coming harvest. This means that equipment presently assigned must be utilized to its fullest capacity and in double shifts. More trucks are coming but recent cables do not yet give us definite arrival dates.

4. The matter of price control has not been touched on, as it is one that is not exclusive to any of our sub-commissions, but is handled by the Price Group of the Economic Section. This group is made up of specialist officers of the several sub-commissions involved, together with Mr. Wadleigh of the Economic Section. In addition to the matter of routine price matters, this group developed much information and material needed in recommending a price for wheat and now have the responsibility of establishing the prices of other grains and pulses which must be related to the price of wheat. These prices are being worked out in cooperation with the Ministry of Agriculture, so that the prices may be correlated closely in all Italian territory. The Minister of Industry and Commerce, and the Minister of Agriculture, have agreed to set up a price office in order to collaborate with our price group in this work. The price of wheat established is one that will give the average producer not only his cost of production, but a substantial profit [illegible] when compared to the price of wheat in various other producing countries,

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number of officers.

2. A development since our last meeting has been the establishment of a Coal Division, which has been placed in Transportation Sub-Commission; this for the reason that the importation and distribution of coal was handled by a subsidiary of the Italian State Railways, which are under the jurisdiction of the Ministry of Communications, with whom the Transportation Sub-Commission deals on various matters. This division is now engaged in working out a plan with the Italian Government for the development of a civilian organization that will be competent to take over and handle the importation and distribution of coal. This Coal Division will become the agency that eventually will screen all of our coal requirements and deal as an ACC agency, direct with AFHQ on these matters. This should ensure much greater consideration being given to coal requirements for essential industries.

3. Trucks are limited in number and too much importance cannot be placed on the matter of maintenance. Trucks have to be allocated to the various Regions on the basis of their real needs only. In forward areas a splendid job is being done in getting truck loads of food into towns, many times within a few hours after their capture. However, it is still necessary that we maintain the fine record made in clearing our supplies promptly from Naples port, as well as other ports, and transport must be continued in other rear areas for the distribution of supplies and the handling of the coming harvest. This means that equipment presently assigned must be utilized to its fullest capacity and in double shifts. More trucks are coming but recent cables do not yet give us definite arrival dates.

4. The matter of price control has not been touched on, as it is one that is not exclusive to any of our sub-commissions, but is handled by the Price Group of the Economic Section. This group is made up of specialist officers of the several sub-commissions involved, together with Mr. Wadleigh of the Economic Section. In addition to the matter of routine price matters, this group developed much information and material needed in recommending a price for wheat and now have the responsibility of establishing the prices of other grains and pulses which must be related to the price of wheat. These prices are being worked out in cooperation with the Ministry of Agriculture, so that the prices may be correlated closely in all Italian territory. The Minister of Industry and Commerce, and the Minister of Agriculture, have agreed to set up a price office in order to collaborate with our price group in this work. The price of wheat established is one that will give the average producer not only his cost of production, but a substantial profit besides. When compared to the price of wheat in various other producing countries, it will be realized the producer is being paid a substantial price. The price is about 80% more than is paid to the producer in the United States or Canada. Price alone will not guarantee the amassing of wheat. Further, we cannot set the price high enough to compete with black market prices. It is felt that a higher price would only promote inflation; however, the price has been agreed with the Italian Government, and now that it has been established, for this most important commodity, we have now a price anchor to which to relate other prices and endeavor to hold the inflation movement at this general level.

Comments by Chief Commissioner: It is necessary to establish a level for prices, and as wheat is the first large commodity and due for amassing soon, the price at 1000 lire per quintal will be the base for the fixation of prices for all kinds of consumer goods.

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VI -- DEPUTY CHIEF COMMISSIONER, CAPTAIN ELLERY W. STONE, USNR.

1. The detailed explanation of the many problems of this Commission has been so complete during this Conference that any remarks of mine would seem to be a duplication of effort.

The basic problem before us is the question of increasing the daily ration, not only because of the physical needs of the people and our own responsibility due to our promises, but because it is and must be the keystone to the prevention of runaway inflation, like that which occurred in Germany after the last war. It must be prevented here, and the steps we take may well serve as a guide to similar efforts in other countries of Europe.

In my opinion the daily ration must be increased.

2. We have now had four of these conferences. Even the severest critic could not help but see that material progress is being made by this Commission, but much as we have accomplished, we are only just under way. We have many problems ahead, but our experience will make our performance there even better.

On behalf of the Chief Commissioner I want to thank all of you for sitting through this Conference and for your contributions.

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The Conference adjourned at 1820 hours.

ROBERT E. DOE
Major, A.G.D.
Secretary General

DISTRIBUTION:

1 - CC
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3 - 5 Army AMG
5 - G-5, AFHQ

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AIDE-MEMOIRE TO ACCOMPANY CONDITIONS OF ARMISTICE

(QUEBEC DOCUMENT)

These terms do not visualise active assistance of Italy in fighting the Germans. The extent to which the terms will be modified in favour of Italy will depend on how far the Italian Government and people do in fact aid the United Nations against Germany during the remainder of the war. The United Nations however state without reservation that wherever the Italian Forces or Italians fight the Germans or destroy German property or hamper German movement they will be given all possible support by the forces of the United Nations. Meanwhile provided information about the enemy is immediately and regularly supplied Allied bombing will so far as possible be directed upon targets which affect movements and operations of German forces.

Cessation of hostilities between United Nations and Italy will take effect from a date and hour to be notified by General Eisenhower.

Italian Government must undertake to proclaim armistice immediately it is announced by General Eisenhower and to order their forces and people from that hour to collaborate with the Allies and to resist the Germans.

The Italian Government must at hour of armistice order that all United Nations prisoners in danger of capture by Germans shall be immediately released.

The Italian Government must at the hour of armistice order Italian fleet and as much of their merchant shipping as possible to put to sea for Allied ports. As many military aircraft as possible shall fly to Allied bases. Any ships or aircraft in danger of capture by the Germans must be destroyed.

Meanwhile there is a good deal that Marshal Badoglio can do without the Germans becoming aware of what is afoot. The precise character and extent of his action must be left to his judgment; but the following are the general lines suggested.

(i) General passive resistance throughout the country if this order can be conveyed to local authorities without Germans knowing.

(ii) Minor sabotage throughout the country particularly of communications and air fields used by Germans.

(iii) Safeguard of Allied prisoners of war. If German pressure to hand them over becomes too great they should be released.

(iv) No Italian warships to be allowed to fall into German hands. Arrangements to be made to ensure that all these ships can sail to ports designated by General Eisenhower immediately he gives the order. Italian submarines should not be withdrawn from patrol as this would reveal our common purpose to the enemy.

(v) No merchant shipping be allowed to fall into German hands. Merchant shipping in northern ports should if possible be sailed to ports

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(v) No merchant shipping be allowed to fall into German hands. Merchant shipping in Northern ports should if possible be sailed to ports South of the line Venice-Leghorn. In the last resort they should be scuttled. All ships must be ready to sail for ports designated by General Eisenhower.

(vi) The Germans must not be allowed to take over Italian coast defences. Make arrangements to be put in force at the proper time for Italian formations in the Balkans to march to the coast with a view to their being taken off to Italy by the United Nations.

(This Aide-Memoire is known as the Quebec Document and was presented in Lisbon to General Castellano by General Smith. Its full title is: Aide-Memoire to accompany conditions of Armistice, presented by General Eisenhower to the Italian C in C).

Declassified E.O. 12356 Section 3.3/NND No. 765015

LETTER FROM GENERAL EISENHOWER TO MARSHAL BADOGLIO

29th September, 1943.

My dear Marshal Badoglio,

The terms of the armistice to which we have just appended our signatures are supplementary to the short military armistice signed by your representative and mine on September 3rd, 1943. They are based upon the situation obtaining prior to the cessation of hostilities. Developments since that time have altered considerably the status of Italy, which has become in effect a co-operator with the United Nations.

It is fully recognised by the Governments on whose behalf I am acting that these terms are in some respects superseded by subsequent events and that several of the clauses have become obsolescent or have already been put into execution. We also recognise that it is not at this time in the power of the Italian Government to carry out certain of the terms. Failure to do so because of existing conditions will not be regarded as a breach of good faith on the part of Italy. However, this document represents the requirements with which the Italian Government can be expected to comply when in a position to do so.

It is to be understood that the terms both of this document and of the short military armistice of September 3rd may be modified from time to time if military necessity or the extent of co-operation by the Italian Government indicates this as desirable.

Sincerely,

DWIGHT D. EISENHOWER
General, United States Army
Commander in Chief, Allied Forces

2131

His Excellency
Marshal Pietro Badoglio
Head of the Italian Government

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Declassified E.O. 12356 Section 3.3/NND No. 765015

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General, United States Army
Commander in Chief, Allied Forces

2126

His Excellency
Marshal Pietro Badoglio
Head of the Italian Government

0487

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Commander in Chief, Allied Forces

2143

His Excellency
Marshal Pietro Badoglio
Head of the Italian Government

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This is the

Mac Millan

Aide Memoire

dated 24 Feb. 1945

24th February, 1945

AIDE MEMOIRE FOR COMMUNICATION TO THE ITALIAN GOVERNMENT BY THE ACTING PRESIDENT OF THE CONTENTS OF THE NEW DIRECTIVE ON THE FUNCTIONS OF THE ALLIED COMMISSION

1. In accordance with the declaration of the President of the United States of AMERICA and the Prime Minister of the United Kingdom of GREAT BRITAIN, the Allied Governments propose to relax the control of the Italian Government under the Armistice in the matter of day to day administration and only to exercise such control when Allied military interests require.

2. The Political Section of the Allied Commission is being abolished as of 1 March 1945. The Italian Ministry of Foreign Affairs will deal with the Chief Commissioner on matters of major policy, and on matters of minor policy and routine business it will address itself to whatever Section (Economic or Civil Affairs) of the Commission may be appropriate to the subject involved. Matters involving the travel of diplomatic and other public officials will hereafter be dealt with on behalf of the Commission by the Office of the Executive Commissioner.

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3. The Italian Government will continue, as at present, to have direct relations with foreign diplomatic representatives accredited to the Quirinal. The Allied

Commission

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Commission should be kept generally informed by the Italian Government of any negotiations in which they engage with other Governments. Facilities for the use of secret bags will be granted to the Italian Government for use in correspondence with their diplomatic representatives abroad. Undeposited cypher facilities cannot be allowed for the present.

Insofar as these negotiations have to do with economic and financial matters, the Economic Section and its Finance Sub-Commission should be kept informed of their progress.

It would be convenient if the Italian Government would furnish a periodic summary of all negotiations completed or pending with other Governments.

4. The Allied Commission will limit its dealings with respect to territory under the jurisdiction of the Italian Government to consultation with and advice to the Ministers of the Italian Government.

5. The advisory functions of the Sub-Commissions of Education, Monuments and Fine Arts, Local Government, Legal and Labour in territory under the jurisdiction of the Italian Government will be performed only when requested by the Italian Government.

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6.

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6. It will no longer be necessary for the Italian Government to obtain the approval of the Allied Commission for decrees and other legislation enacted by the Italian Government in the territory under the jurisdiction of the Italian Government.

Nevertheless the Allied Commission should be informed of proposed decrees some time before their enactment, in order to enable the Chief Commissioner to consult with the Italian Government as to their application to territory under the jurisdiction of Allied Military Government (AMG), and to lay plans for their effective implementation in such territory when appropriate.

7. It will no longer be necessary for the Italian Government to obtain approval of the Allied Commission for Italian appointments, whether to national or local offices, in territory under the jurisdiction of the Italian Government except with regard to the attached list (Appendix "A") of positions having military significance. The Italian Government will have the right to alter appointments made previously by AMG authorities.

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8. The Allied Commission officers stationed in the field in the territory under the jurisdiction of the Italian Government will be withdrawn. As a first step it is intended to abolish by April 1, 1945, the Regional

Offices

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Offices of the Allied Commission for Sicilia, Sardegna, Southern and Lazio-Umbria Regions. Representatives of the Allied Commission will, however, be sent into territory under the jurisdiction of the Italian Government when necessary and certain specialist officers with economic functions will remain in such territory for a limited period.

9. It is the desire of the Allies to encourage free trade in knowledge and learning with the Italian people. Arrangements will be facilitated for the flow between Italy and the United Nations of books and other publications of a scientific, political, philosophical and artistic nature, and for the movement of scholars, artists and professional men between Italy and the United Nations.

10. The Allies welcome the decision to hold local elections in territory under the jurisdiction of the Italian Government as soon as may be.

11. The Allied Nations desire to make concessions with regard to Italian prisoners of war now or hereafter held in Italy, other than those captured since the Armistice was signed. Provided that arrangements can be made for the services of such persons to continue to be made available on terms satisfactory to the Supreme Allied Commander, their status as prisoners of war will be terminated.

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12. It is essential that the Italian Government formulate and implement appropriate economic controls and take all other steps possible both in order to ensure that maximum production and effective and equitable distribution and control of consumption of local resources possible under existing conditions be secured and as a prerequisite to increased economic assistance.

13. In the joint programme of essential Italian imports, now being prepared by the Inter-Ministerial Committee for Reconstruction and the Economic Section of this Commission, there will be some supplies for which the combined United States-United Kingdom military authorities will assume responsibility for procurement (Category "A") and other supplies for which they will not assume responsibility (Category "B"). A definition of the supplies which fall into Category "A" follows:

(a) Those quantities of agreed essential supplies necessary to prevent disease and unrest prejudicial to military operations, such as, food, fuel, clothing, medical and sanitary supplies.

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(b) Those supplies, the importation of which will reduce military requirements for the import of essential civilian supplies for the purposes referred to in this paragraph, such as,

fertilizer,

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fertiliser, raw materials, machinery and equipment.

(c) Those materials essential for the rehabilitation of such of the Italian communication facilities, power systems and transportation facilities as will directly further the [illegible] effort.

14. The programme for which the military authorities assume responsibility will be maintained for the duration of combined (United States-United Kingdom) operations in Italy. For this period, and within the limits defined in paragraph 13, Italy will be treated as a whole. The date of the termination of military responsibility will be fixed by the Allied Nation .

15. In addition to the programme of supplies for which the military assume responsibility for procurement (Category "A") the Allied Commission will assist the Italian Government in the preparation of programmes of supplies designed to rehabilitate Italian industry. Such programmes, referred to as Category "B" will be handled under procedures already notified. The purchasing of supplies in Category "B" programmes will be undertaken immediately without reference to the present difficult shipping position in order that the supplies so purchased may be called forward as and when shipping space becomes available.

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16. The Allies desire that industrial rehabilitation in Italy be carried out by the Italian Government to the fullest extent permitted by Italian resources and such supplies as it may be possible to import under the terms of paragraphs 13, 14 and 15 above, and subject to the limitation in paragraph 17 below. The sole exception to this principle is to be made in the case of industries involving the production or repair of munitions or other implements of war, which will be rehabilitated only to the extent required by the Supreme Allied Commander in the discharge of his military mission, and to the extent necessary to further the Allied military effort in other theatres. The priority order in which Italian industry will be rehabilitated (after the rehabilitation of industries essential for Allied military purposes) will be determined by the Italian Government, with the assistance and advice of the Allied Commission.

17. The prime responsibility for the control of inflation in Italy, including the imposition and administration of the appropriate financial controls and economic controls, and appropriate utilization of supplies, rests with the Italian Government. In this connection, as in others, the Allied Commission stands ready to advise and assist.

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16. The extent to which exports are to be stimulated and the development of machinery to handle export trade are for determination by the Italian Government. For the time being, the Italian export programme will necessarily be limited by certain shipping, military, financial and supply factors. The applicability of these factors to individual programmes will be worked out between the Italian Government and the Economic Section of the Allied Commission along the lines already discussed by the Economic Section with the Inter-Ministerial Committee for Reconstruction.

19. Nothing contained in the above should be taken as constituting a commitment by the Allied Nations with respect to shipping. Any supplies to be imported into Italy must be transported within such shipping as may be allocated from time to time by the Allied Nations.

HAROLD MACMILLAN

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APPENDIX "A".

List of Italian Government appointments requiring prior approval by the Allied Commission

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Minister of War .

Minister of Marine

Minister of Air

Any other Minister of Armed Forces who may be created

Under Secretary for Telecommunications

Director of Railroads

Director General of Pubblica Sicurezza

Commanding General, CC.RR

Chief of Staff, CC.RR

Commanding General, GG.FF.

Appointments in the Army, Navy, and Air Force in accordance with current practice.

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