

ACC

10000/142/1008

LEGAL S/C O
NOV. 1943

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LEGAL S/C OF ACC, MAINTENANCE OF ROADS
NOV. 1943

11 Nov. 43

SUBJECT: Maintenance of Roads.

TO: Brig. Gen. Maxwell Taylor.

Ref attached correspondence

1. The Allied Forces are undertaking the maintenance of military roads in non-occupied territory and this involves cash expenditure ~~for~~ for local supplies and civilian labour to the extent of 28,000 in the next six months.

2. The combat forces are asking A.M.P.A. to provide this cash presumably from A.M.P.A. sources. Whether or not it is in accordance with A.M.P.A. policy to supply this money for the above purposes and if so in what instalments and on what terms as to accounting and so forth is entirely a matter for the Financial Sub-Commission and I express no opinion thereon but I may usefully add one or two observations on the question of ultimate liability for this payment.

3. As we are not occupying forces we cannot of course charge the expenditure incurred on that basis but in my opinion the position can be fairly regarded as covered by the following Article of the Armistice Terms though the wording is not as apt as could be wished:

"25. The Italian Government will withdraw and redeem in Italian currency etc.... all holdings in Italian territory of currencies issued during ...military operations or occupation and will hand over the currencies withdrawn free of cost to the United Nations."

In my view the issue of currency for the maintenance of military roads in rear areas is an issue "during military operations" and therefore the Italian Government can be charged with the redemption of such currency under the above Article and an in effect made to pay for the cost of maintenance.

4. The Financial Sub-Commission may well doubt, however, the wisdom of permitting the Allied Forces to enter into expenditure of this sort and and

newly to obtain payment afterwards from A.M.P.A. and if so, an argument can be

and civilian labour to the extent of £8,000 in the next six months.

2. The combat forces are asking A.C.G. to provide this cash presumably from A.M.F.A. sources. Whether or not it is in accordance with A.M.F.A. policy to supply this money for the above purposes and if so in what instalments and on what terms as to accounting and so forth is entirely a matter for the Financial Sub-Commission and I express no opinion thereon but I may usefully add one or two observations on the question of ultimate liability for this payment.

3. As we are not occupying forces we cannot of course charge the expenditure incurred on that basis but in my opinion the position can be fairly regarded as covered by the following Article of the Armistice Terms though the wording is not as apt as could be wished:

"23. The Italian Government will withdraw and release in Italian currency etc..... all holdings in Italian territory of currencies issued during ...military operations or occupation and will hand over the currencies withdrawn free of cost to the United Nations."

In my view the issue of currency for the maintenance of military roads in rear areas is an issue "during military operations" and therefore the Italian Government can be charged with the redemption of such currency under the above Article and so in effect made to pay for the cost of maintenance.

4. The Financial Sub-Commission may well doubt, however, the wisdom of permitting the Allied Forces to enter into expenditure of this sort at 13b and and merely to claim payment afterwards from A.M.F.A. and if so, an arrangement can be made whereby no demands for payment will be ^{made} unless a programme is presented to A.M.F.A. before any commitments are entered into.

5. Furthermore, although it may be impracticable to do so at the moment ^{and} indeed may be impracticable until the Government is firmly established, the system should be adopted by the Allied Forces at the earliest possible moment whereby they compel the Italian Government to carry out work of this sort ^{expediently} themselves and the Allied Forces cease to ~~directly~~ ^{supply} labour. This pro-

cedure is the appropriate one in non-occupied territory and is contemplated in Art 21 of the Armistice Terms.

"The Italian Authorities... will comply with instructions issued by the Allied Commander in Chief regarding the use of... inland transport systems... together with connected repair and construction facilities."

Under Art 38(B) the term "Commander in Chief" includes the Allied Control Commission. When the Italian Government have an effective organization working it will, it is admitted, be much better to adopt the system suggested above of working through the Government rather than to continue the present system.

G. R. USJOM
Colonel.

Under Art 38(B) the term "Commander in Chief" includes the Allied Control Commission. When the Italian Government have an effective organization working it will, it is submitted, be much better to adopt the system suggested above of working through the Government rather than to continue the present system.

G. R. WILSON
Colonel.

11 Nov. 43

SUBJECT: Maintenance of Roads.

TO: Dir. Gen. Maxwell Taylor.

See attached correspondence

1. The Allied Forces are undertaking the maintenance of military roads in non-occupied territory and this involves cash expenditure presently for local supplies and civilian labor to the extent of \$5,000 in the next six months.

2. The United States are asking A.S.S. to provide this cash presently from A.S.S. sources. Whether or not it is in accordance with A.S.S. policy to supply this money for the above purposes and if so in what instalments and on what terms as to accounting and so forth is entirely a matter for the Financial Sub-Committee and I express no opinion thereon but I may usefully add one or two observations on the question of ultimate liability for this payment.

3. As we are not occupying forces we cannot of course charge the expenditure incurred on that basis but in my opinion the position can be fairly regarded as covered by the following Article of the Assistance Terms though the wording is not as apt as could be wished:

"23. The Italian Government will withdraw and redeem in Italian currency etc.... all holdings in Italian territory of currencies issued during ... military operations or occupation and will hand over the currencies withdrawn free of cost to the United Nations."

In ~~the~~ the issue of currency for the maintenance of military roads in rear areas is an issue "during military operations" and therefore the Italian Government can be charged with the redemption of such currency under the above Article and so in effect made to pay for the cost of maintenance.

4. The Financial Sub-Committee may well doubt, however, the wisdom of requiring the Allied Forces to enter into expenditure of this sort ed lib and and

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and civilian labour to the extent of 25,000 in the next six months.

2. The United Nations are asking A.C.G. to provide this cash presumably from A.M.P.A. sources. Whether or not it is in accordance with A.M.P.A. policy to supply this money for the above purposes and if so in what instalments and on what terms as to accounting and so forth is entirely a matter for the Financial Sub-Commission and I express no opinion thereon but I may usefully add one or two observations on the question of ultimate liability for this payment.

3. As we are not occupying forces we cannot of course charge the expenditure incurred on that basis but in my opinion the position can be fairly regarded as covered by the following Article of the Armistice Terms though the wording is not as apt as could be wished:

"23. The Italian Government will withdraw and redeem in Italian currency etc..... all holdings in Italian territory of currencies issued during military operations or occupation and will hand over the currencies withdrawn free of cost to the United Nations."

In ~~the~~ the issue of currency for the maintenance of military units in rear areas is an issue "during military operations" and therefore the Italian Government can be charged with the redemption of such currency under the above Article and so in effect made to pay for the cost of maintenance.

4. The Financial Sub-Commission may well doubt, however, the wisdom of spending the Allied Forces to enter into expenditure of this sort and and thereby to claim payment afterwards from A.M.P.A. and if so, an arrangement can be made whereby no demands for payment will be made unless a programme is presented to A.M.P.A. before any commitments are entered into.

5. Furthermore, although it may be impracticable to do so at the moment and indeed may be impracticable until the Government is finally established, the system should be adopted by the Allied Forces at the earliest possible moment whereby they compel the Italian Government to carry out work of this sort themselves and the Allied Forces cease to directly employ labour. This pro-

ensure is the appropriate one in non-occupied territory and is contemplated in Art 21 of the Armistice Terms.

"The Italian authorities... will comply with instructions issued by the Allied Commander in Chief regarding the use of... inland transport systems... together with connected repair and construction facilities."

Under Art 58(3) the term "Commander in Chief" includes the Allied Control Commission. When the Italian Government have an effective organization working it will, it is submitted, be much better to adopt the system suggested above of working through the Government rather than to continue the present system.

G. N. UNGER
Colonel.

Under Art 39(1) the term "Domestic in character" includes the Allied Control Commission. When the Italian Government have an effective organization working it will, it is submitted, be much better to adopt the system suggested above of working through the Government rather than to continue the present system.

G. R. WOOD
Colonel.

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