

ACC 217/PWU

10000/150/594

IT
NO

10000/150/594

ITALIAN IMPORTS
NOV. 1944 - JULY 1945

217/PWU

ITALIAN IMPORTS

THIS FOLDER

CONTAINS

FROM: NOV 144

TO: JULY 145

CATALOGUE

10000/150/594

217

MINISTERO DELLE CORPORAZIONI

DIVISIONE INDUSTRIA

Consiglio Prolet tra i portatori dell'apertura
Milano

Richiesta autorizz. requisito di necessità collettiva
e di rel. tipo "Prochimer" "P. Fin. Ind. 1934"

Consiglio Vostre tra i portatori dell'agente
Milano

Richiesta autorizz. requisiti di k uccelline colorate a Brumfords
e 2 del tipo "Rochimedes"

- ~~202 Water Production Supplies~~
- 236 Insulating materials
- 237 Motors & Transformers
- 238 Cables & Conduits
- 239 Switches & Brushes
- 240 Electric light Bulbs
- 241 Insulators
- 242 Miscellaneous Electric
- 243 Copper

43

Comments on Cable to Washington
to cancel CLAC 202 to 243 from Ministry
of Reconstruction. 8 Aug 45.

Comments invited by Requisition Branch.

CLAC items 236 thru to 243 are electrical
and so far as PW & U S/C is concerned
can be cancelled with the exception
of CLAC 236, which is insulating
materials, given insulating materials
war damaged electrical plant can be
repaired and will avoid having to
import items such as those in
~~item~~ CLAC 237. Much plant is in
workshops of repair specialists and cannot be
repaired until insulating material arrives in this
Country. Rivermai RE-818

~~202 Water Production Supplies~~

- 236 Insulating materials
 237 Motors & Transformers
 238 Cables & Conductions
 239 Switches & Brushes
 240 Electric light Bulbs
 241 Insulators
 242 Miscellaneous Electric
 243 Copper

43

Comments on Cable to Washington
 to cancel CLAC 202 to 243 from Ministry
 of Reconstruction. 8 Aug 45.

Comments invited by Requisition Branch.

CLAC items 236 thru to 243 are electrical
 and so far as PW & V S/C is concerned
 can be cancelled with the exception
 of CLAC 236, which is insulating
 materials, given insulating materials
 was damaged electrical plant can be
 repaired and will avoid having to
 import items such as those in
 CLAC 237. Much plant is in
 workshops of repair specialists and cannot be
 repaired until insulating material arrives in this
 country.
 P. 818

Tel. 320

HEADQUARTERS ALLIED COMMISSION

EJR/

INTER OFFICE MEMO

31 July 1945

217/PWU
Subject

: Programme for Basic Supplies
for Italy (September - December 1945)

To

: ECONOMIC SECTION - SUPPLY DIV.

From

: Public Works and Utilities Sub-Commission

1. Reference your RB-445 dated 24 July 1945.
2. Public Works and Utilities Sub-Commission has no comments to offer.

E.J. RISTEDT
Colonel, C.E.
A/Director

5883

Col Lupton, ore 41 have no comments
 to make on 41.
 (P.O.L. products so far as
 they affect power plants are being taken
 care of by AFHQ Pet Sec RAAC. This
 also applies to Bitumen, Pet Sec have
 assured me that shipping space has been
 "slated" for accordingly) Rice RF. 30/7/45.

5882

Col. Span:

no comments! P.O.L.
and bitumen are included
in state of Pet. Sec. A.F. 17. Q.
R.A.A.C.

Shipshuf Capt -
30/7/45 588!

RECEIVED
P.W. / U.S/C.A.C.
24 JUL 1945 217

HEADQUARTERS ALLIED COMMISSION
APO 994
ECONOMIC SECTION

EDV/CV:al

Ref. ED-445

24 July 1945

SUBJECT: Program of Basic Supplies for Italy (September - December Loadings)

TO : See Distribution.

1. Attached are three copies of a preliminary estimate by the Foreign Economic Administration of a program of basic supplies for Italy, September-December loadings.

2. Will you please revise this program in detail in those instances where it bears upon your jurisdiction utilizing the most recent data available so that this program will reflect the best current estimate of Italy's needs. Wherever possible, landed costs should be shown as well as unit costs.

3. In connection with the foregoing, attention is invited to attached memo ED-44, dated 21 July 1945.

4. Request you submit two copies of the program as revised to the Acquisition Branch prior to July 31, 1945.

(sgd) E B. McKinley

Enclosures:

- 1 - USA/R - 21 July 1945
- 3 - Proposed FEA Program of Imports of Basic Supplies

S. B. HARTLEY
Brigadier General, USA
Acting Vice President

Distribution:

Acquisition Branch
Commerce S/C - Coal Div.
EAT Section, AFHQ
Food S/C
Industry S/C
U.S.A. - Info
Transport S/C - Info
Price Section
Agriculture S/C
Commerce S/C
E. E. U. S/C
Finance S/C
Col. Wilton - Information
Brigadier Anderson - Information

AFHQ - 65

Major Cooley - Research Statistics Branch

Col Spann

Col Lapsle 5883

Comment for reply
requested. please

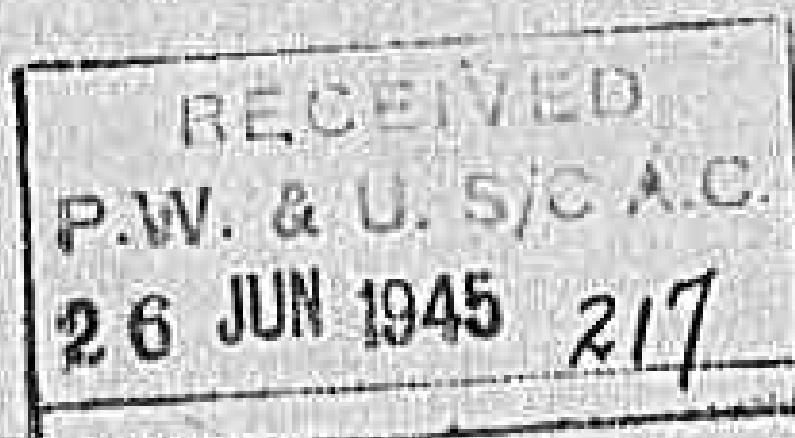
EJR

RESTRICTED

MARX 21512
JUNE 232217

MAR

HQ ALCOM

E/6471
JUNE 240930
ROUTINE

RESTRICTED.

This is COM 134. Refer MOO 166, MOO Airgram 57.

Italian Supply Program.

On the 7th of this month, MOO 166 was received. OLAC (3), with concurrence of Italian Technical Mission, has decided to forward definite request for principal MOO air 57 items. Refer to OLAC (3) 22, forwarded with COM air 35.

Imperative that steps be taken at once in order to work out details and take action on very extensive program forwarded by you if some September deliveries are to be made.

Submit at once additional data and explanations asked for in COM 118 and Com 119.

Is revised MOO air 57 same as referred to in MOO 166? Quantities and items therein were not advised.

Definite needs on items agreed upon should be submitted now instead of waiting for entire program. Needs for October through December should arrive here by 15 July at latest.

Supply essential justification and purpose for which intended for all items listed on combined boards reserved commodity lists sent you with COM air 5 and modified by Com air 17 and 31 attachments.

Difficulty anticipated in procuring many items requested for 3rd quarters.

Of necessity these will be based on emergency allocations. 15th 4th quarter allocations should be furnished as soon as possible.

Dist. over

Dist.

ACTION: Requisition Branch
 Info Chief Commissioner
 Econ Sec
 CC Br Emb
 Finance SO
 File 2
 Float

Reqn. Br. Dist.

ACTION: Commerce S/O
 Agriculture S/O
 Food S/O
 Finance S/O
 Industry S/O
 Reqn. Br.
 P M & U S/O
 Production Div.
 Econ. Sec.

INFO: AC Liaison Rep., Interministerial Committee Italian
 American Embassy
 British Embassy
 Gen. McKinley
 Civil Affairs Section

50 100 200 300
 400 500 600 700
 800 900 1000 1100
 1200 1300 1400 1500

HEADQUARTERS ALLIED COMMISSION
APO 324
Economic Section
Requisition Branch

RECEIVED
P.W. & U. S/CAG

15 JUN 1945 *217*

15 June 45

Tel. *69*

SUBJECT: Revision of Executive Memorandum No. 2.

TO: See Distribution Below.

1. In practice, certain deficiencies have been noted in Executive Memorandum No. 2 (File reference AB/13.03 dated 26 February 43) and it has been suggested that certain revisions thereof be made, or that same be rewritten, in order to obtain a more workable procedure.

2. It is desired that your office review Executive Memorandum No. 2 with a view to determining what deficiencies it contains affecting your office. Further, it is desired that your office submit a report to Requisition Branch, Supply Division, Economic Section, not later than 19 June 45, covering the following points:

1. Specific proposals on the undesirable provisions of the above-mentioned memorandum, giving the reasons.
2. Proposed provisions that should be embodied in a new or revised memorandum, giving the reasons.

3. Upon receipt of the foregoing information, Requisition Branch will prepare a draft of a new or revised memorandum, incorporating as far as possible the proposed changes. Next, a meeting will be called of all interested parties to review the new or revised memorandum. Finally, a completed new or revised memorandum will be written and submitted for approval to the Chief Commissioner.

DISTRIBUTION:

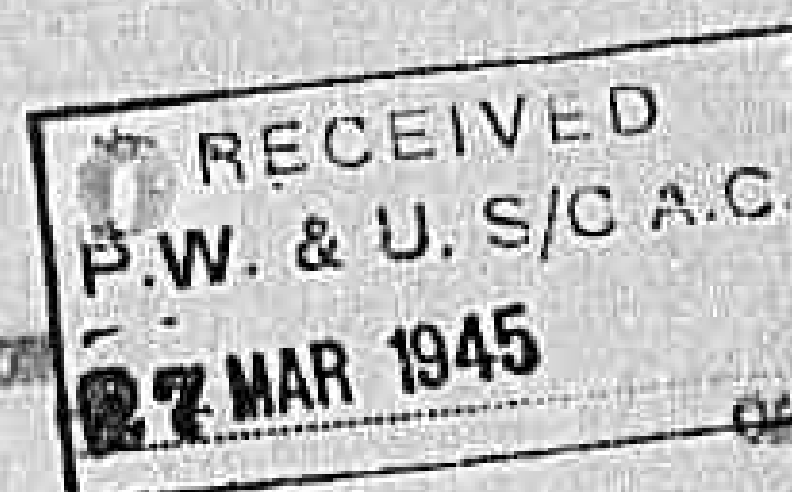
Transportation S/O
Ports & Warehouses Division
Attn: Mr. Scanzanella
Major Klein
Movements Division
Finance S/O, Chief Accountant
Agriculture S/O
Instituto Comercio Exterior
AFHQ, G-3 Section
Federconsorcio
Inter-ministerial Committee for Reconstruction
Public Works & Utilities S/O ✓
Commerce S/O
Industry S/O
Food S/O
Public Health S/O
Education S/O
Communications S/O

A. C. Scanzanella
Lt. Col., USA
Economic Section

5878

1. 470

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION
Requisition Branch



Ref. HB-400,222-25

27 March 1945

SUBJECT: Notification to I.C.E. of Goods in Warehouse.

TO : See distribution below.

1. Reference Executive Memorandum No. 2 Ref. EB/13.03 dated 25 February 1945. In accordance with instructions in para 16 of a/m Memorandum you are requested to please execute attached form (Notification Note), if you have not already done so. This constitutes authority for ICE to take delivery of goods in your warehouses.

2. We have already executed these notices for a part of the shipments arriving during March and we will continue to execute them as to all future shipments.

3. In order to avoid duplication, you should check your file against the copies of the forms (P/S/60) executed by us, which you have.

4. Attached is a supply of the a/m forms which you will please execute and distribute in accordance with para 16 of a/m Memorandum.

[Signature]
P. W. TOWSE,
Major, P. A.
Chief, Requisition Branch
Supply & Resources Division

DISTRIBUTION:

List "A" Group 1 & 2
AMH, C-5 Section
Chief Accountant.

5877

Tel. 489 1 Ext. 320

HEADQUARTERS ALLIED COMMISSION
APO 394
Public Works and Utilities Sub-Commission

LAJ/ram

1 March 1945

217/PWU

SUBJECT: Joint Program of Essential Italian Imports
TO : Economic Section - Att'n: Mr. Cleveland

1. Reference your ES/20.02 26 February 1945.
2. I wish to offer the following comments:

Paragraph 2 - I believe that in this paragraph mention should be made of the fact that when the present program of rehabilitation of central Italy was being considered it was largely based upon the condition found in Southern Italy and Sicily, but that when Central Italy was reached we were confronted with a widely different condition of mass destruction on an all-out scale.

3. The second paragraph of paragraph 6 should be started with the following words "The above program" instead of "This program".

4. There has apparently been an erroneous conception of what must be included in the early import program. The Italians say they received a communication from the Economic Section stating that no new machinery was to be included, hence none was shown in their program. We are not aware of such a letter. Electric power plants must be included in the first priorities. As a consequence the following changes will have to be made in your draft. The Ministry of Public Works has been asked to include the program, which we prepared for them, in their overall program.

5. The second sentence of the second paragraph in paragraph 6 should read as follows: "The purpose of the proposed program is to provide for the basic reconstruction of some of the most essential power stations, sub-stations and transmission lines, which will take from one and one-half to two years to build and without which the industrial

file 217
dal

rehabilitation program will be most seriously curtailed. Even then, strict rationing of electricity will have to be resorted to for many years. It also provides for the importation of maintenance, repair, and operating supplies to put back into operation and to maintain other portions of the electric power systems which can be repaired and maintained only by the importation of certain basic materials."

6. I think the third sentence beginning with "Throughout the" should be made a separate paragraph.

L. A. JENNY
Colonel, C. E.
Director

CC: Lt. Col. Lapper

5875

C O P YTel. 489081
Ext. 320HEADQUARTERS ALLIED COMMISSION
APO 394
Public Works and Utilities Sub-Commission

LAJ/ce

13

158/PWU.

26 Jan. 45

SUBJECT: Electrical Rehabilitation.

TO : His Excellency Meuccio Ruini,
Minister of Public Works.*Place in file 217*

1. In accordance with our agreement I am attaching hereto a program for electrical rehabilitation to be incorporated into the overall program which you are preparing for use in connection with credits from the United States.
2. You will note that the reconstruction of electrical plants is placed under 4 priorities and, therefore, this list should be placed accordingly in your program. With that I do not mean that the 2nd, 3rd and 4th priority should be much behind the 1st priority. They must be placed very close together on your program of priorities, as we consider these plants and transmission lines to be a first necessity in the rehabilitation of Italy. You are fully aware of the fact that without electricity other plants cannot operate.
3. According to the above it is recommended that the plants and transmission lines indicated be placed in columns 1, 2, 3 and 4 of your tabulated statements, so that all of them may be handled in an early priority.
4. I wish to point out particularly that the reconstruction indicated in the attached list is probably only one half of the total to be rebuilt. It is considered by us to be the most vital and most important phase of the electrical plant and transmission line rehabilitation program. The other one half will have to be placed by you in a similar order to be undertaken after the above named list is in progress of being manufactured, or at least orders for the manufacture have been placed. I assume that you realise that it will take many months even for the

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No.I plant on the No.I priority to arrive in Italy and to be installed. For that reason it is urged that steps be taken, as soon as possible, preliminary to the placing of actual orders for such plant and equipment.

(sgd. L.A. JENNY)

L.A. JENNY,
Colonel, C.E.,
Director.

5873

HEADQUARTERS ALLIED COMMISSION
Public Works and Utilities Sub-Commission
APO 394

Electrical Division

Priority	Name of Station	Province	Head in M. Metres	Size of Generating Sets - Kw.	Transformers
1	Larderello	Pisa	-	$5 \times 15,000$ 75,000	5 9,000/120,000 2 30,000/120,000 1 4,500/ 9,000 2 9,000/ 500 2 9,000/220,125
1	Livorno	Livorno	-	$3 \times 37,500$ 52,500	2 56,000-28,000/ 5,300 2 60,000/ 5,300
1	Cerosa	Ascoli R.	285.50	1 x 7,000	3 6,000/66,500 1 6,000/ 9,000 2 6,000/220,125
1	Castel- madama	Roma	40.--	$2 \times 6,000$ $1 \times 9,000$ 15,000	2 8,500/ 30,000 2 8,500/ 70,000
1	Mandela	Presi	28.--	$2 \times 3,000$ 6,000	2 10,000/ 60,000

HEADQUARTERS ALLIED COMMISSION
Public Works and Utilities Sub-Commission
APO 394

Electrical Division

Province	Head in M.Metres	Size of Generating Sets - Kw.	Transformers	Est. Weight Metric Tons	Est. Cost at 150 dollar per Kw. \$
Pisa	-	5 x 15,000 75,000	5 9,000/120,000 2 30,000/120,000 1 4,500/ 9,000 2 9,000/ 500 2 9,000/220,125	T. 9,000	11,250,000
Livorno	-	3 x 17,500 52,500	2 56,000-28,000/ 5,300 2 60,000/ 5,300	T. 6,000	7,875,000
Ascoli R.	285.50	1 x 7,000	3 6,000/66,500 1 6,000/ 9,000 2 6,000/220,137	T. 800	1,050,000
Roma	40.--	2 x 6,000 1 x 9,000 15,000	2 8,500/ 30,000 2 8,500/ 70,000	T. 1,500	2,250,000
Precl	28.--	2 x 3,000 6,000	2 10,000/ 60,000	T. 600	900,000

- 2 -

Priority	Name of Station	Province	Head in Metres	Size of Generating Sets - Kw.	Transformers	Est. Met.
1	Aquoria (S.Ciov.)	Roma	165	$ \begin{array}{r} 3 \times 12,750 \\ \hline 38,250 \end{array} $	$ \begin{array}{r} 5 \ 6,750/57,500 \\ 2 \ 7,000/23,000 \end{array} $	T.
2	Fescara 1	Fescara	28	$ \begin{array}{r} 2 \times 4,960 \\ \hline 9,920 \end{array} $	6 6,300/25,800	T.
2	Fescara 3	Fescara	48	$ \begin{array}{r} 2 \times 11,200 \\ \hline 22,400 \end{array} $	2 6,300/150,000	T.
2	Fescara 4	Fescara	48	$ \begin{array}{r} 2 \times 12,000 \\ \hline 24,000 \end{array} $	2 10,000/154,000	T.
3	Alto Farfa	Rieti	165	$ \begin{array}{r} 3 \times 6,400 \\ \hline 19,200 \end{array} $	$ \begin{array}{r} 2 \ 5,500/61,000 \\ 4 \ 6,000/60,000 \end{array} $	T.

5871

- 2 -

	Province	Head in Meters	Size of Generating Sets - Kw.	Transformers	Est. Weight Metric Tons	Est. Cost at 150 dollar per Kw.
	Roma	165	$\begin{array}{r} 3 \times 12,750 \\ \hline 38,250 \end{array}$	$\begin{array}{l} 5 \text{ } 6,750/57,500 \\ 2 \text{ } 7,000/23,000 \end{array}$	T. 3,800	5,737,500
1	Pescara	28	$\begin{array}{r} 2 \times 4,960 \\ \hline 9,920 \end{array}$	6 6,300/25,800	T. 1,000	1,488,000
3	Pescara	48	$\begin{array}{r} 2 \times 11,200 \\ \hline 22,400 \end{array}$	2 6,300/150,000	T. 2,300	3,360,000
4	Pescara	48	$\begin{array}{r} 2 \times 12,000 \\ \hline 24,000 \end{array}$	2 10,000/154,000	T. 2,400	3,600,000
5	Nietig	165	$\begin{array}{r} 3 \times 6,400 \\ \hline 19,200 \end{array}$	$\begin{array}{l} 2 \text{ } 5,500/64,000 \\ 4 \text{ } 6,000/60,000 \end{array}$	T. 1,900	2,880,000

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- 3 -

Priority	Name of Station	Province	Head in M. Metres	Size of Generating Sets - Kw.	Transformers
3	Venemartello	Ascoli P.	300.--	4 x 3,000 12,000	
3	Castel Trocino	Ascoli P.	118.90	3 x 2,240 6,720	3 67,400/ 5,000 2 34,500/ 5,000
4	Intese	Benevento	354.--	2 x 4,000 8,000	3 10,000/ 60,000 4 60,000/ 80,000
TOTALS				322,690	

All generating units 45 - 50 cycles.

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- 3 -

Location	Head in Meters	Size of Generating Sets - Kw.	Transformers	Est. Weight Metric Tons	Est. Cost at 150 Dollar per Kw.
Colli P.	300.--	4 x 3,000 <u>12,000</u>		T. 1,500	1,800,000
Colli P.	118.90	3 x 2,240 <u>6,720</u>	3 67,400/ 5,000 2 34,500/ 5,000	T. 800	1,008,000
Nevento	354.--	2 x 4,000 <u>8,000</u>	3 10,000/ 60,000 4 60,000/ 80,000	T. 1,000	1,200,000
.....		322,690		T. 35,300	48,403,500

All generating units 45 - 50 cycles.

C O P Y

HEADQUARTERS ALLIED COMMISSION
Public Works and Utilities Sub-Commission
APO 394

ELECTRICITY, LIBERATED ITALY
TRANSMISSION SYSTEM REHABILITATION

E S T I M A T E

- A. Estimated cost of rehabilitating 2,000 kilometers of high voltage transmission line at \$ 7,000 per kilometer.

Rehabilitation of the following lines is contemplated:

First Priority (680 kilometers)

Avenza - Cascina
Bologna - Falconara
Bologna - Suviana
Cascina - Larderello
Larderello - Riccione
Livorno - S. Romano

Total estimated cost, first priority lines \$ 4,760,000

Second Priority (730 kilometers)

Anversa - Prenestina
Archi - Pescara (Two lines one of which is partly repaired)
Cellole - Ceprano
Cotilia - Pescara III (already partly repaired)
Grosseto - Livorno
Larderello - Magliana (Via Civitavecchia)
Livorno - Riffredi
Pescara III - Pescara IV

Total estimated cost, second priority lines \$ 5,110,000

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Third Priority (390 Kilometers)

Ceprano - Sezze
 Fondi - Ceprano
 Leta - Pescara II
 Minturno - Fondi di Coazzo

Total estimated cost, third priority lines \$ 2,730,000

Fourth Priority (200 Kilometers)

Scalea - Tusciano

Total estimated cost, fourth priority lines \$ 1,400,000

Total estimated cost
Transmission lines \$ 14,000,000

B. High tension switching station equipment
including transformer capacity and
associated switch gear at \$ 30 per KVA

First priority, 120,000 KVA
 of equipment \$ 3,600,000

Second priority, 50,000 KVA
 of equipment \$ 1,500,000

Third priority, 30,000 KVA
 of equipment \$ 900,000

Total estimated cost High tension
Switching Station Equipment \$ 6,000,000

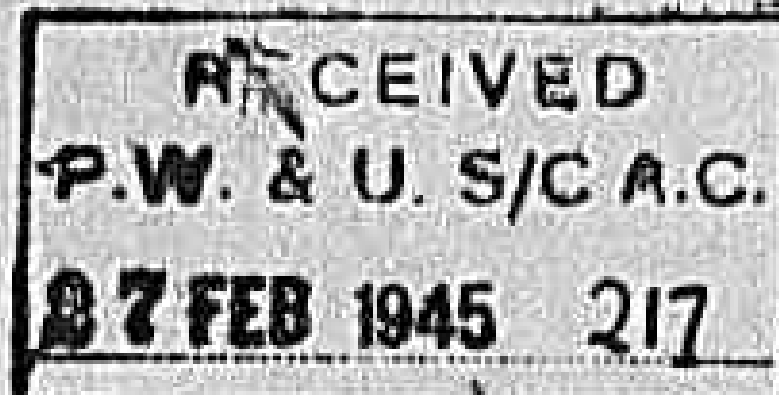
GRAND TOTAL TRANSMISSION SYSTEM
 \$ 20,000,000

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5863

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

12
HC:mew



Ref: ES/20.02

26 Feb 45

SUBJECT: Joint Program of Essential Italian Imports

TO : Director, Agriculture Sub-Commission
Director, Industry Sub-Commission
Director, Public Works and Utilities Sub-Commission
Director, Transportation Sub-Commission

1. Attached is a draft of some introductory notes, for use when the entire Joint Program of Essential Italian Imports is put into final form for presentation to WASHINGTON.

2. Could you look over this draft as soon as possible and let me have any comments, additions, modifications, or corrections?

Harlan Cleveland
HARLAN CLEVELAND
Executive Director
Econ Sec

Encl.

5867

JOINT PROGRAM OF ESSENTIAL ITALIAN IMPORTSINTRODUCTIONPurpose of the Joint Program

The following paragraphs are a summary of what it is intended to accomplish through the Joint Programming of Essential Italian Imports.

1. The minimum essential requirements for food, and certain very limited requirements in other fields, have been submitted and noted on through military channels ever since the first beachhead in Sicily. Section is a list of all deliveries of materials under civilian supply requisitions as of . A quick perusal of this list will indicate how limited the supply program for Italy has been so far, and how few items have been included to reactivate the productive facilities of Italy which would enable Italy even partially to support itself.

2. ^{In general, what} ~~the~~ Allies have been doing so far is to stock-feed Italy with finished products. Partly, of course, this policy resulted from the fact that the original military program for Italian supplies contemplated responsibility for only six months; and both the needs of Italy and the length of the military responsibility for ~~getting~~ ^{meeting} them have outdistanced the original plans. Moreover, of course, the destruction of Italian industry by the Germans, and the crippling effect of power and transportation shortages, made the reactivation of production very difficult during the early months.

3. The time has now come, and it is recognized on all sides, for the Italian economy to begin pulling its own weight in the boat. It is possible

limited requirements in other fields, have been submitted and acted on through military channels ever since the first beachhead in Sicily.

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In general, what
 2. ~~the~~ ^{the} allies have been doing so far is to spoon-feed Italy with finished products. Partly, of course, this policy resulted from the fact that the original military program for Italian supplies contemplated responsibility for only six months; and both the needs of Italy and the length of the military responsibility for ~~getting~~ ^{meeting} them have outdistanced the original plans. Moreover, of course, the destruction of Italian industry by the Germans, and the crippling effect of power and transportation shortages, made the reactivation of production very difficult during the early months.

3. The time has now come, and it is recognized on all sides, for the Italian economy to begin pulling its own weight in the boat. It is possible for Italy to do this, now for the first time -- because Italy now has ~~agovern-~~ ^{government} which can plan and carry through a production program, and because essential first steps have been taken to organize the economy for production.

4. The limiting factors on production are now three:

- a. Transportation
- b. Electric Power
- c. Imported production materials and equipment

The organization of this program reflects the attack on these three limiting factors.

- 2 -

5. Transportation (Part I) In general, the purpose of the import program for transportation is to place the Italian economy in a position where it can transport a minimum ration of food and have left over the minimum amount of transportation necessary to implement a program of agricultural and industrial production in Liberated Italy. In the transport section of this program calculations have been made to indicate what the transportation of food and essential production materials means in terms of tonnage lift, and hence in terms of transportation facilities -- trucks and tires, locomotives and freight cars, ships and port facilities.

6. Electric Power (Part II) In the case of electric power, what can be done in Italy is severely limited by what the Germans did in Italy. Roughly speaking, Sicily and Sardinia have enough power for immediate foreseeable needs -- but this relative surplus cannot of course be transmitted to the Peninsula itself. Therefore, for the islands only a bare maintenance program is contemplated. Italy south of the Cassino line now has about one-half of pre-liberation capacity in operation, and only another 7% can be put into operation without a real reconstruction program. In Central Italy, the Germans destroyed all by patchwork to bring this up to 17% at present, and it will be possible but 6% of the capacity. It has been possible with the proposed imports of maintenance and repair materials to bring the Central Italian figure up to 30,000 KW, or 31 % of the pre-liberation capacity, by the end of 1945.

This program leaves entirely out of account the major reconstruction of hydroelectric plants which are now so badly destroyed that whole new installations will have to be built from the ground up. The purpose of this program is merely to provide the replacement, maintenance, repair and operating supplies to get back into operation the generating capacities destroyed in the war.

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section of this program calculations have been made to indicate what the

transportation of food and essential production materials means in terms of tonnage lift, and hence in terms of transportation facilities -- trucks and tires, locomotives and freight cars, ships and port facilities.

6. Electric Power (Part II) In the case of electric power, what can be done in Italy is severely limited by what the Germans did in Italy. Roughly speaking, Sicily and Sardinia have enough power for immediate foreseeable needs -- but this relative surplus cannot of course be transmitted to the Peninsula itself. Therefore, for the islands only a bare maintenance program is contemplated. Italy south of the Cassino line now has about one-half of pre-liberation capacity in operation, and only another 7% can be put into operation without

a real reconstruction program. In Central Italy, the Germans destroyed all by patchwork to bring this up to 17% at present, and it will be possible but 8% of the capacity. It has been possible with the proposed imports of maintenance and repair materials to bring the Central Italian figure up to 340,000 KW, or 31% of the pre-liberation capacity, by the end of 1945.

This program leaves entirely out of account the ~~major~~ reconstruction of hydroelectric plants which are now so badly destroyed that whole new installations will have to be built from the ground up. The purpose of this program is merely to provide the replacement, ^{and maintenance} maintenance, repair and operating supplies to get back into operation, the generating capacities mentioned in the preceding paragraphs and to provide for the transmission and utilization of the resulting power. Throughout the industrial part of this program, there is equipment (such as motors and belting) which ^{is} ~~are~~ designed to compensate for destruction and removal by the Germans and thus to utilize to the best advantage for industrial purposes the small amount of power that can be made available short of major reconstruction.

- 3 -

7. Agriculture (Part III) The narrative justification of the agricultural section of this program clearly shows its purpose: to maximize production of food. In spite of Mussolini's best efforts, Italy never came very close to self-sufficiency in food. In almost every food item, Italy has been and is now on an import basis (as in wheat), or just holding her head above water (as in the case of olive oil). In only _____ crops -- citrus,

-- is Italy on an export basis.

In this situation, the food policy to be adopted has been clear from the beginning: to encourage and facilitate the largest possible production of food, in every category except the export categories. Except for very small amounts of equipment and materials which go into the bare maintenance of the investment in export crops like citrus fruit, the entire agricultural program is aimed squarely at reducing imported tonnage of food during late 1945 and 1946.

8. Industry (~~Part IV~~) The program of industrial production which will be put into effect when the material and equipment in this program is received is designed to retool, maintain and operate those Italian industries which:

- A. Aid in rehabilitating needed transportation facilities;
- B. Produce materials for the electric power industry, needed to ^{reconstruction} implement the limited electric repair program described in para 6 above;

C. Produce in Italy as large a proportion of its agricultural

very close to self-sufficiency in food. In almost every food item, Italy has been and is now on an import basis (as in wheat), or just holding her head above water (as in the case of olive oil). In only _____ crops -- citrus, -- is Italy on an export basis.

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- A. Aid in rehabilitating needed transportation facilities;
- B. Produce materials for the electric power industry needed to implement the limited electric ^{reconstruction} repair program described in para 6 above;

C. Produce in Italy as large a proportion of its agricultural requirements as possible, as part of the program described in para 7;

586
D. Produce in Italy the requirements for certain limited categories of consumer necessities, by reactivating industries for the processing of food (included in Part III), and production of clothing, shoes, pharmaceuticals, and other basic ^{consumer} items. (Part IV)

- 4 -

9. Basic Industries (Part V) In order to produce for these four purposes, there are a number of basic industries which must be reactivated -- the mining of fuel, sulphur and metals, the production of iron and steel, the metallurgical industry, and the production of industrial explosives, synthetic resins, soda and protective coatings.

10. Common User Materials and Equipment (Part VI) Behind the entire industrial economy, there must be considerable quantities of basic common user items -- coal, petroleum fuels and lubricants, steel and other metals, machine tools, wood, and a thousand and one miscellaneous products and gadgets and fixings that represent the difference between a stagnant and a working economy.

11. Finished Products. Since there is bound to be a certain time lag between the presentation of this program and the actual production in Italy which will result from the materials requested, it will be necessary for a limited period to continue (and in some categories even to accelerate) the import of finished products to meet the minimum consumer needs of the Italian population, and to provide for the administration of its business and Government. The requirements in these consumer categories, which appear in various parts of this program, should not however obscure its basic purpose, -- to reactivate Italian production to meet Italian requirements.

5863

- 5 -

A Note on the Method of Preparation and Presentation

On 3 Nov 44, the Allied Commission requested the Italian Government to prepare, with AG's assistance and advice, a complete program of essential Italian imports, other than food and medical supplies. Shortly before this program was finished, the Allied Commission received the new directive (FAN 487) which served to define for the first time what imported items could be included in the military program of civilian supply (Category "A") and what should be included in the supplementary program (Category "B") for which the military did not assume responsibility.

From the standpoint of the Italian economy, the distinction between Category "A" and Category "B" is an unreal one. The entire program is required for the basic purpose of reactivating needed production. However, following the definition of Category "A" in FAN 487, the program has been submitted to Allied Force Headquarters by the Allied Commission, and a basis has been adopted by the Theatre for splitting this program between Category "A" and Category "B".

Those parts of the program have been included in Category "A" which fall within the following definition of the military responsibility for civilian supply in Italy:

- a) Provision will be made for internal distribution of food, derived from both farm production and imports, adequate to provide a basic ration of 2,000 calories.
- b) For this purpose, it shall be assumed that for the present, food will be imported at the rate of 1,500,000 tons per year.
- c) Provision shall also be made for internal distribution of shoes, clothing and household linen and blankets; agriculture, forestry and fishing supplies.

5863

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- b) For this purpose, it shall be assumed that for the present, food will be imported at the rate of 1,500,000 tons per year.
- c) Provision shall also be made for internal distribution of shoes, clothing and household linen and blankets; agriculture, forestry and fishing supplies; medical and sanitary supplies; newspaper and supplies necessary for the administration of these provisions. Provision shall be made also for the import of either finished materials or raw materials to produce such supplies.
- d) Necessary fuel, power, communications and transportation shall be provided for the production, processing and distribution of the above, and for necessary administration thereof.

Everything that does not fall within these terms is considered to be

Category "B". The Category "B" items are being submitted directly to the

5853

- 6 -

Combined Liberated Areas Committee, through Combined Civil Affairs Committee as directed in FAN 487.

Each section of this program is divided where appropriate into three parts:

a. A statement of the pending requisitions which have been previously approved by Allied Force Headquarters and on some of which deliveries are now being made. In the case of each requisition there is an indication of the status of the requisition as far as the status is ascertainable from information received by AC.

b. A military requisition for civilian supplies covering that part of the total program which falls within the definition of para above. Where this requisition has been formally acted on by AFHQ it is in the form of a LAC A1gram.

c. A requisition (in the form of a LAC A1gram) for Category "B" items, submitted for action to the Combined Liberated Areas Committee.

In some cases of course the entire section of the program is in Category "A" or in Category "B".

In addition, there is included in Appendix "C" a complete statement of deliveries of civilian supplies to Italy, from the initial liberation of Sicily up to (date).

5867

Col. Jenny

Minutes of Meeting with the Ministers of the Italian Government and members of Headquarters Allied Commission - 16 Jan. 1945

RECEIVED
P.W. & U. S/C A.C.
24 JAN 1945 217

Noted [unclear]

Present: Colonel Danvers - Acting T. President - Deputy Sec. AG.
Mr. Cleveland - Executive Director - Economic Sec. AG.
Col. Jenny - Director Public Works and Utilities, AG.
Mr. Vaughan - Director of Industry S.C.
Major Cook - Chief of Supply and Resources Division.
Mr. Allsop - Director of Agriculture S.C.
Mr. Taylor - Director of Transportation S.C.
Major Merritt - Agriculture S.C.
Colonel Watts - Agriculture S.C.
Mr. Garver - Economic Section AG.
H. E. Ruini - Minister of Public Works.
H. E. Gracchi - Minister of Industry, Commerce & Labor.
H. E. Corbelli - Minister of Transportation.
H. E. Bonatti - Minister of Finance.
H. E. Bergami - High Commissioner of Food.
H. E. Cogni - Under Secretary of Agriculture Ministry.
Gen. Di Majo - General Director of Commercial Affairs of Ministry of Foreign Affairs.
Prof. S. Pavesi - Ministry of Industry, Commerce & Labor.
Mr. Rossi - General Secretary of the Intergovernmental Reconstruction Committee.
H. E. Bergami - Kindly acted as interpreter.

SUBJECT DISCUSSION: First Aid Loans.

At 16.05 in the temporary absence of Colonel Danvers, the meeting is opened by Mr. Cleveland.

Min. Ruini

Gives views of the correspondence carried on between the Italian Minister of the Treasury Soleri, and the American Minister of the Treasury Morgenthau, about the forms of the requests. He reminds the present members that the original financial plan, as the exact amount of the financial resources available to satisfy demands, was not known - it contained the reservation of three programmes which amounted respectively to 150,000,000; 200,000,000 and 250,000,000 dollars to put Italian industry in working order again. At present, the amount available for such purpose, for various reasons, has been reduced to 100,000,000 dollars. However, it is presumed that such sum may be increased. He asks, says Minister Ruini, may be made to the Minister of the Treasury, who will transmit them to the P.F.A., who in turn will send them on to us. Minister Ruini expressed the desire that this financial pact be co-ordinated with the requests of the Reconstruction Committee.

5860

Page 2/

Mr. Cleveland

Asks if the text of the letter which has already been sent is the same as the one asked for.

Min. Ruini

Yes, the same.

Mr. Cleveland

Wants everyone to understand that this programme is a general one of importation into Italy; even from other countries, while the above-mentioned financial programme concerns only the United States.

Min. Ruini

We quite agree. Talking it over therefore, we shall be able to see what could be imported into Italy from other countries; for instance, electric materials could be imported from Switzerland. In this case it would be possible for us to reduce the number of our requests to the United States according to what and when we are able to find elsewhere.

Mr. Cleveland

Explains that the plan of requests must be submitted to the Inter-Allied Committee, which will decide how much of these demands can be met in America, and how much in other countries.

Min. Gronchi

Asks if by these are meant only the countries of the Allied Nations or neutral countries as well.

Mr. Cleveland

Neutral countries as well, according to supplies available all over the world and in relation to the means of transport necessary and the requests of other countries. If the Inter-Allied Committee is ready to comply with these requests, for the above-mentioned reasons, it will allow importation from Switzerland, Sweden, etc. Said committee will also examine and co-ordinate the programmes and the requests of France, Belgium, Holland, etc. Italy will not have a different treatment over this.

Min. Gronchi

Could we not find out for ourselves if certain of our requirements are in some neutral country, and then procure them ourselves, without applying to Washington?

Min. Ruini

Could we not help the Inter-Allied Committee by giving information as to the possibility of finding certain products?

Min. Gronchi

Could we not be authorized to procure what we are unable to find for ourselves?

Min. Bergami

Says that the Allies want to co-ordinate the needs of all the countries which have suffered devastation and destruction from the war.

5859

Page 2/

Min. Gronchi

He says that with this system such unavoidable delay will be met with in spite of the good will of all parties. He says that it would be highly desirable for us to act directly, without intermediaries with neutral countries, keeping the Allies informed, of course, of these transactions. As for payment, we could manage that by exchange of goods or by some other way.

Min. Pasenti

Adds that this would be very advantageous particularly where there is no question of shipping, as with Switzerland, for instance.

Mr. Cleveland

Discussed briefly with Mr. Allbaugh and then replies to the above questions and explains, pointing out that the financial problem of dealing with neutral countries has been suspended for the present as this is a general problem and confined to one particular country.

Mr. Cleveland repeats that the program of supplies will be equitably examined at Washington and all countries will be dealt with equally. It must not be feared therefore, that there will be delay in granting these requests. Besides this program might also concern neutral countries, because the Inter-Allied Committee in Washington would send permission to deal directly with neutral countries for certain products which are more easily to be found there. He thinks too that this commerce with neutral countries need not necessarily be limited to certain particular products.

Min. Ruini

We will go into this problem ourselves - He recalls that in the previous programme, products to be imported into Italy had been divided into two categories; Category A: those items and quantities which are considered to fall within the military mission of preventing disease and unrest, and Category B: those items and quantities which fall outside the scope of the military program of civilian supply, for which financial provision outside the military is being made. The above three mentioned programs had been proposed for Category B: then came the above mentioned reduction. E. W. continues Min. Ruini, we are presenting a list of our indispensable minimum, and absolutely necessary requirements. The Allied Commission informed us that said importations could not possibly arrive

5858

Page 4/

Min. Ruini

(cont.) before May 1945. We have insisted on their being sent earlier. This list was prepared according to instructions received from the Allied Commission and enumerates, I repeat, the indispensable minimum quantity of each requirement therein mentioned. (Transport, electric machinery, fertilizers, etc.)

Mr. Cleveland

Confirms that these requests must be made according to criterion of priority.

Min. Ruini

wants to repeat that these requests represent the necessary and indispensable minimum, not to be further reduced; really first aid items.

Mr. Cleveland

Explains that priority in this case would mean priority in order of purchase and sending, (forwarding) so that some products will arrive sooner than others, not because the former are more important than the latter. Mr. Cleveland now asks leave to examine the diagram which had been prepared by the Reconstruction Committee, and which constitutes a "Scale of Urgency of Priority", from a maximum to a minimum, not of necessity, because all items are indispensable, but of priority in sending and therefore in the arrival and reception of material and goods.

At this point Colonel Bensmore enters the room and takes part in the discussion on the diagram in question.

Mr. Cleveland

Asks if under the heading "Transport", are included only means of transport, or accessories for these as well, as for instance, machinery for rebuilding bridges and roads, etc.

Prof. Saraceno

Replies that this is shown in the report enclosed with the diagram. For instance, locomotives come under the heading transport and electric power stations under the heading Electricity.

Mr. Cleveland

Declares that the Allied Commission has greatly appreciated the clever way in which said diagram had been prepared. In this meeting, however, it is not possible to go into the matter in detail. This will be done shortly by a group of technical experts who will submit their opinion to the Reconstruction Committee which will duly approve of the demands.

5857

Page 5/

Min. Ruini

This is a plan of our minimum indispensable needs expressed graphically, and showing the priority needed. He explains, after talking with Minister Gronchi and with Prof. Saraceno, that this plan was made to show the requirements of the whole of Italy in the cases where they could estimate the approximate requirements (such as for Transport and Agriculture) and only for Liberated Italy in cases where they cannot make estimates (for the weaving industry, for instance).

According to instructions received, in the list of requirements of the three groups, transport, electricity and agriculture were included not only what was needed for already Liberated Italy but also what was estimated would be needed by Northern Italy, seeing that within six months it probably will be liberated. Minister Ruini now asks if he may include in this list, 1, the requirements of the whole of Italy for the three groups: cotton, wool and leather- so as to prepare what will be needed for next year and have a certain amount of stocks on hand.

Mr. Cleveland

Agrees to include these too, in the limits which are presumed to be possible.

Min. Ruini

It is now up to the technical experts to examine and settle the plan which we, as Reconstruction Committee will look over.

Having thus finished the discussion on the "First Aid Plan", Minister Ruini expresses the desire to give Colonel Densmore some information on matters already dealt with at the previous meetings.

First of all as regards the Italian ships in the Argentine; a question which it had been advised to submit to the President of the Council and to Admiral Stone, and which now would seem to be proceeding favorably, as it appears that the Argentinians would consent to give back the ships provided that a written guarantee be given assuring that said ships will be not included in the Allied shipping "pool" in the Mediterranean; a matter which would seem to meet with the approval of Admiral Cunningham.

Col. Densmore

This is by now a question beyond our jurisdiction, to be solved by higher authorities.

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Page 2/

Min. Gronchi

Interrupts to ask that all Italian Schooners which can be salvaged or rebuilt or just made replaced at the complete disposal of the Italian Government so that neither the "Cogens" nor the Mediterranean shipping pool can use them.

Col. Donatore

Gives assurance that he will take particular note of this request.

Min. Ruini

Announces that he has earnestly recommended the putting in force of the campaign for collecting scrap copper, cartridge cases, etc. and to have taken the necessary steps in the matter with the various municipal authorities.

Col. Donatore

Says that he has managed to find 300 tons of cartridge cases ready to be used for manufacturing sulphate of copper.

Min. Ruini

Proposes that the subject of next week's discussion be Epuration.

The meeting adjourned at 17:45 hours.

5855

RECEIVED
P.W. & U.S./C.A.C.
1 DEC 1944 217

SECRET

COPY

ALLIED FORCE HEADQUARTERS
G-5 Section
APO 512

14 December 1944

SUBJECT: FAN 466

TO : Headquarters, Allied Commission, APO 394
(Attn: Economic Section)

1. We have previously sent ^{you} a copy of our NAT 814 of 17 November to the Combined Chiefs of Staff on the subject of additional shipping for civilian purposes for Italy. Paragraphs 2 (A), (B) and (C) respectively dealt with the importation of supplies to meet 300 gram ration, industrial rehabilitation program, and UNRRA supplementary relief program.

2. FAN 466 of 9 December (attached) is a reply to NAT 814. You will note particularly paragraphs 4 and 5 which state that pending receipt of instructions from Combined Chiefs of Staff no commitments will be made to the Italian Government or to UNRRA on the projects mentioned in paragraph 2 (B) and (C) of the earlier cable. We will keep you advised when the further advices referred to in paragraph 4 and 5 are received.

For the Acting Assistant Chief of Staff, G-5:

J. E. BUTTERWORTH
Colonel, G.S.C.
Chief, Economics & Supply Division 585

Incl: FAN 466

Re: Rhodes - [initials]
- Trapper - [initials]
- Thompson M

Res note

Adm 20/12

[Handwritten signature]

SECRET

C O P Y

S E C R E TROUTINE

FROM: AGWAR THE COMBINED CHIEFS OF STAFF (BOOK MESSAGE)
 TO : WILSON FOR ACTION, STAFF VERSAILLES FOR EISENHOWER,
 TO CENTRAL DISTRICT UK BASE SECTION LONDON TO BRITISH
 CHIEFS OF STAFF FOR INFORMATION
 REF NO THIS MESSAGE : WY 74981, 9 December 1944

FAN 466

Reference NAF 814, dated 17 November 1944

1. Provision of additional civilian supply shipping
 for ITALY is subject.

2. You were advised in FAN 450, dated 13 November
 1944, that urgent consideration is being given to question
 of your responsibility beyond civilian supplies essential
 to your Military Mission.

3. In NAF 814 your request consideration of additional
 shipping to lift supplies in implementation of three projects
 outlined therein, all of which you say are over and above
 the measure of relief now applicable under existing directives.

4. Questions raised by you involve political and
 economic problems which must now be considered in the light
 of acute overall shipping shortages. Pending receipt of
 Combined Chiefs of Staff instructions, you should insure that
 NO commitment is made either to the Italian government or to
 UNRRA on projects programmed or contemplated along lines of
 NAF 814, particularly avoiding commitments either as to shipping
 tonnages or as to definite dates or periods as of which the
 Italians or UNRRA may bid for shipping independent of the
 military authorities.

5. Separate cable will be dispatched on UNRRA operations
 in ITALY.

NOTE: NAF 814 Ref FX 53733 MC OUT 4305 17/11/44 G-5
 FAN 450 Ref WX 62000 MC IN 9813 14/11/44 G-5

MC IN 8205

10 Dec 44

1522A Ref No FX 74981

585

SECRETC O P YPRIORITYSECRET

TO FOR ACTION: AGWAR FOR CCS

INFORMATION: CENTRAL DISTRICT UK BASE SECTION (LONDON)
FOR BCS, REPEATED SHALT

REFERENCE NO. FX 53733

SIGNED: WILSON

CITE : FHGEC

NAF 814

Subject is provision of additional shipping for civilian purposes for ITALY.

1. The shipping allocated from producer countries to MTO has hitherto been determined on the basis of operational requirements including civilian needs, screened as within the disease and unrest formula.

2. This basis of allocation will no longer satisfactorily meet civilian needs. There are already several major projects under consideration or actually programmed that together involve heavy shipping requirements. For example:

(A) You have before you my request for authorization of 300-gram ration and for the import of supplies to meet it. This ration is in line with the statements of the President and Prime Minister of the new policy towards ITALY, particularly in respect of the food ration.

(B) Substantial dollar credits have been promised to support an immediate industrial rehabilitation program in occupied ITALY.

(C) Decision has been taken at highest levels to commence an UNRRA program of supplementary relief in ITALY.

All of these projects are over and above the measure of civilian relief which has been granted under the directives applicable thus far and all will involve increased tonnage for the Theater.

3. My immediate concern is with the situation presented in paragraph 2(A) and 2(C). As to 2(A), I have been forced to cut civilian food tonnages along with cuts imposed on military services by reason of the reduction of shipping available for November/December. This means a reduction of

SECRET

about 40,000 tons destined for AC. This will barely permit the maintenance of the existing ration. It will definitely not permit of any increase. It will also make it necessary for me to go into the winter months without reserves in the face of expanding commitments and renewed expectations of substantially increased aid. As to 2 (C), I am very conscious of the desirability of starting UNRRA operation in ITALY as soon as possible.

It is, however, patently impossible for me to authorize a supplementary feeding program for a portion of the Italian population if requirements must be provided from within a shipping allocation which is insufficient to meet what I consider to be the minimum overall ration.

4. I will advise you by separate cables of the supplementary tonnage requirements of the above programs as soon as they are known or can be estimated here. The most urgent in my opinion is that of the increased food ration as to which I await word from you. I request that in your consideration of each of the foregoing programs, parallel attention be given to the provision of additional shipping so that whatever steps you may authorize as called for by the declarations of the new policy of the 2 governments, or otherwise, will not fail for want of tonnage.

5. It is not the intention of this message to indicate an unlimited port acceptance and internal distribution capacity. Overall shipping tonnage allocations remain subject to overall capacity to accept which in the future as in the past may be expected to vary with operational plans. It is submitted, however, that increased commitments should only be made after it is determined that the additional shipping can be made available. Shipments can then be called forward in accordance with our ability to accept.

ORIGINATOR: G-5

AUTH: NORMAN P. SEAGRAVE, MAJOR

COORDINATED WITH CAO 580
G-4 (A)
G-4 (B)
NOV & TN

APPROVED BY: CHIEF OF STAFF

MC OUT 4305 17 Nov 44 1336A REF NO: FX 53733

SECRET

FILE

General Office

Tel. 478906 Ext. 555

MEMORANDUM

VRS/lam

9

REFERENCE : 217 FWU
 SUBJECT : Estimated Tonnage, Imported
 Electrical Equipment
 TO : Economic Section (Att. Mr. Allen)
 FROM : P.W. & U. Sub - Commission

19 December 1944

1. Following is the estimated tonnages of electrical material to be imported into Italy during 1945:

<u>Quarter</u>	<u>Tonn.</u>
January 1 - March 31	0
April 1 - June 30	200
July 1 - September 30	5,500
October 1 - December 31	23,000
Total	28,700

2. This information is being furnished as the result of the oral request of Mr. Allen to Major V.S. Kenton, made this morning.

W.M. LAMER

W.M. LAMER
 Lieut - Colonel
 Chief Electrical Division

Original
 delivered by Hand
 19/12.
 P.

5859

Col. Jenny:

Attached letter on Italian electrical technicians may be useful in connection with the surveying of requirements for the permanent reconstruction of electric power facilities.

H. Cleveland

18 Dec 44

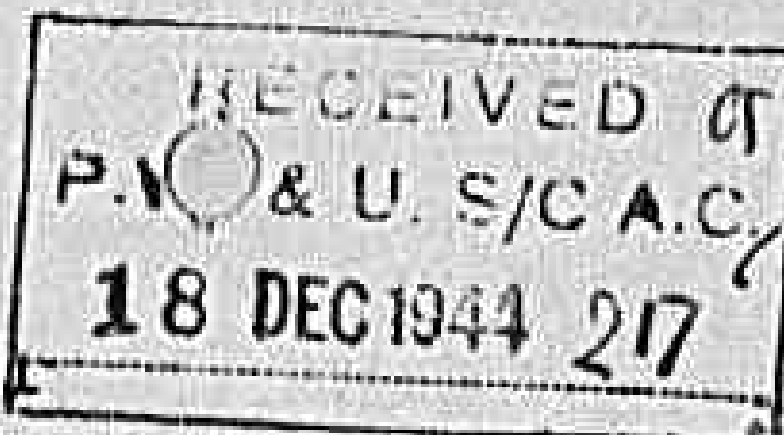
John
to Col. Happen
has, 19/12

Jenny
 12 December 1944
 HARLAN:
 C. L. ADENSTONE:

In the event you are in need of a consulting group of technicians in the electrical field this is a competent collection that you can call on.

Mr. Tamai was the general manager of General Electric in Europe and might be useful to you.

Tony



Grand Hotel

ROME, December 2nd, 1944

Dear Mr. Antolini,

I am attaching hereto a sort of agreement entered into between the principal concerns dealing with material and electrical machinery, which agreement should serve to simplify the relations between said manufacturing companies and the existing authorities, in connection with the negotiations regarding the placing of such material, in the case of a favorable issue of the present negotiations for the importation of same.

The essential reason of this agreement would be that of protecting the technical commercial staff of the single manufacturing companies in existence without interference of new persons or organizations who could create unnecessary duplications. And I believe that this is right because all indistinctly the machinery and electrical plants destroyed and to be reconstructed were made and studied by these same companies, and it is only natural that such reconstructions should again be entrusted to them.

I would appreciate to have your opinion on the subject.

Kindest regards,

Yours sincerely

A. Tamai

5849

Col. Denny

Roma, 30 Novembre 1944

1°) - Nell'eventualità di un'importazione dall'estero di materiali e macchinari elettrici tramite lo Stato per la ricostruzione nazionale, ed allo scopo di mantenere integre le attuali organizzazioni tecnico-commerciali esistenti delle singole società produttrici di macchinario elettrico, i principali costruttori di tali materiali decidono di nominare un fiduciario che li rappresenti presso le diverse organizzazioni esistenti -

2°) - Il fiduciario sarà anche il rappresentante nell'Italia liberata dell'"Accordo Nazionale Industriali Elettromeccanici" (A.N.I.E.M.) di Milano -

3°) - Quale fiduciario viene nominato l'Ing. Aldo Tamai, come esperto della produzione straniera nel campo elettromeccanico.

Il fiduciario sarà assistito da un tecnico designato concordemente dai sottoscritti.

ANSALDO

(Ing. Mario Guastalla)

(interessi I.R.I.-Stato)

COMPAGNIA GENERALE ELETTRICITA'

(Ing. Ugo Soleri)

(interessi General Electric)

MAGRINI S.A.

(Ing. Augusto Camelli)

(interessi Westinghouse)

MARELLI S.A.

(Ing. Umberto Sacco)

(interessi Siemens)

S. GIORGIO S.A.

(Ing. Leonida Alberti)

(interessi escludibili)

TECHOMASIO ITAL. BROWN BOVERI

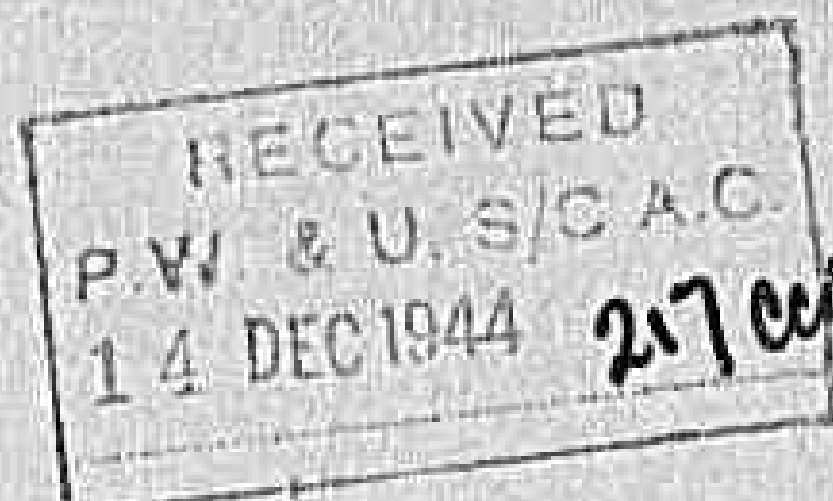
(Ing. Giorgio Mancinelli)

(interessi svizzeri)

5848

HEADQUARTERS ALLIED COMMISSION
APO 394
ECONOMIC SECTION

HC:mew



13 December 1944

20.00 / ES.

My dear Mr. Minister:

In accordance with our agreement on Tuesday night, I am sending you a copy of our basic instruction on joint programming of essential imports.

I hope that you will have the members of your staff cooperate with our Sub-Commissions to the fullest extent in producing a joint program of the type described, and within the limits set, in the attached memorandum.

Sincerely yours,

A. G. ANTOLINI
Acting Vice President
Economic Section

~~His Excellency Meuccio Ruini
Ministro dei Lavori Pubblici
Ministero dei Lavori Pubblici
Piazzale di Porta Pia
Roma~~

Encl.

Copy to : Public Works and Utilities S/C

5847

TO : The Directors of
Transportation S/C
Public Works & Utilities S/C
Agriculture S/C
Industry S/C
Commerce S/C

1. This memorandum will confirm our agreement as to the approach on joint programming of essential Italian imports, arrived at in the meeting held in my office on 5 December 1944.

2. In effect, we divided the programming job into two phases:

a. By 1 January 1945, we will produce a program of essential Italian imports as set out in para 3 below.

b. After that time, we will begin on the development of an integrated program for Italian reconstruction, using as a partial basis the draft by the Industry S/C dated 3 December 1944.

3. The immediate program of emergency "first aid" will be largely limited to the objective of meeting Italy's essential needs in so far as possible from her own resources. This objective implies exclusive emphasis on the following categories of requirements:

a. Transportation. The requirements will be expressed in terms of the number of various types of facilities which are required to be imported.

b. Power - except for very minor items, imports are not contemplated for the next ~~3~~ 6 months. The Public Works and Utilities S/C has provided a statement of the amount of power which will be available each month for the next ~~12~~ 6 months. These quantities of power, plus the 45,000 KW of mobile generating equipment which will be imported, will constitute a limiting factor in any plans for industrial production and electrification of railways.

c. Agriculture - The target is of course maximum production of essential crops, and the requirements will be expressed in terms of numbers of machines and equipment, and tonnages of other essential agricultural supplies.

d. Industry - in the industrial field, programming will be limited to these categories, in roughly the following order of priority:

- i) Those industries which are necessary to the maintenance and rehabilitation of transportation, electric power facilities, and agriculture. The amounts of goods produced by each industry will of course be related to the needs for such goods as established by the Sub-Commissions responsible for transportation, electric power and agriculture, and the Ministries with which they work.

dittoed. Chapter 1 has been added to the program (a) so as to include the program for the reconstruction of the Italian economy. The program for the reconstruction of the Italian economy is being prepared by the Italian government. The program for the reconstruction of the Italian economy is being prepared by the Italian government. The program for the reconstruction of the Italian economy is being prepared by the Italian government.

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ii) Clothing, shoes and textiles - the program for these industries will be related to a statement of needs for various types of clothing, shoes, and textiles.

iii) Industries providing goods for export.

iv) State Monopoly industries whose maintenance or rehabilitation can be justified on revenue-producing grounds.

4. This program will be related to needs during the calendar year 1945. It should be borne in mind that it is most unlikely that any imports under this program would actually reach Italy until May 1945 at the earliest, judging from past experience with requisitions and imports. It is therefore suggested that, where appropriate, the requirements be phased on a monthly basis, without being related to specific months (except of course in the case of seasonal industries and agriculture). Thus, for example, imports of raw cotton might be phased according to the requirements for the "first month of arrivals", "second month", etc.

5. Requirements for transport and agriculture should be related to the whole of Italy, with a breakdown for north of the Pisa-Rimini line, south of the Pisa-Rimini line, Sicily, and Sardinia. It is believed impractical to forecast with any accuracy the production requirements for industry north of the Pisa-Rimini line. Therefore, any import requirements under paras 3(b) and 3(d) above will be submitted only for Continental Italy south of the Pisa-Rimini line, Sicily, and Sardinia.

6. Each Sub-Commission will of course work closely with the Italian Government. The objective is to have as much of the work done by the Italian Government as possible. In addition, the completed program in each field should of course be a program which the appropriate Ministry of the Government will sponsor. Before it is submitted to the Economic Section, therefore, it should have the approval of the Ministry concerned.

7. When the individual programs described in para 3 have been submitted, the Directors of the Sub-Commissions and the appropriate members of the Italian Government will be formed into a group to consider the priorities among the various import requirements, and decide which parts of the total program should first be placed in procurement in the United States under the credit authorization recently announced by the President of the United States. The target date for this procurement program is 15 January 1945.

8. The target deadline for all of the programs described in para 3

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8. The target deadline for all of the programs described in para 3 to be submitted to the Economic Section is January 1. The specific deadlines for the various programs as agreed at our meeting the other day, and the S/C having responsibility for each program, are set out below:

- a. Transport - Transportation S/C - January 1
 - b. Power - (statement of power availabilities during the next six months) - Public Works & Utilities S/C - December 9
 - c. Agriculture - Agriculture S/C - December 20
 - d. Industry
- i) Industries related to transport, power and agriculture -
Industry S/C - January 1

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ii) Clothing, shoes and textiles

Statement of end-product requirements - Commerce S/C
December 15

Production and Import program - Industry S/C -
January 1

iii) Export Industries - Industry S/C - January 1

iv) State Monopolies - Industry S/C (with any necessary
assistance from Finance S/C) - January 1

Distribution
Finance S/C
Acting Vice President

Harlan Cleveland
HARLAN CLEVELAND
Executive Director
Economic Section

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JOINT PLAN OF ITALIAN IMPORT PROGRAM

Et Col Thompson M.
 - Thompson mul
 Please review and let me
 have comments, if you have
 any. (Return) May 7/12

At the meeting held in the Conference Room on Monday, 4 December, between the officers of Economic Section and representatives of Italian Ministries on joint planning for an import program to meet Italy's essential needs, Mr. Cleveland proposed that the problem be approached by surveying the whole field of essential requirements and preparing statements of total import needs to fill those requirements. Then, as foreign funds become available, decisions can be made as to which parts of the total import requirements can be requisitioned at that time.

To establish the total import needed in terms of definite quantities and specifications 5 main steps are necessary:

1. Decide what are the basic essential needs in each field of economic activity
2. Survey local resources under two headings:
 - a. Details of what is required to reactivate.
 - b. Potential contribution to the need after reactivation.
3. Where the total potential local contribution is greater than the basic essential need, decide which units shall be reactivated to meet the need, giving consideration to power, transportation, and labor implications.
4. Breakdown of what is needed to reactivate in all fields (as limited in the third step) and decide what can be done with local resources.
5. Prepare lists of importation requirements under two headings:
 - a. Imports required to meet basic essential needs over and above potential local contribution.
 - b. Imports of materials required for the reactivation program over and above local resources.

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At present can be
 done by Italian Government
 after program is
 increased

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Various economic fields are closely inter-dependent and have many common needs, particularly for reconstruction purposes. Some over-all scheme of survey is therefore required which will bring together the total need of each category. For example, reconstruction in all fields will involve the provision of building materials, structural steel work, power and transportation, and there are other categories of need which are common to more than one field. It is, therefore, proposed that needs, both for reconstruction and for production, should be classified by categories and that surveys in all fields should be in the form of a standard set of schedules, one to each category of need. Suggested breakdown of needs is set out in Appendix "A" for discussion at meeting.

The decision as to what is the basic essential need in each economic field will depend on criteria special to the field. In the fields of transportation, public utilities, and agriculture, these appear to be already well established. In industry and commerce it is suggested that the problem of establishing criteria should be approached by working backwards from minimum target figures of production of consumers' goods. In other words, decisions should be made as to what are the basic essential commodities and what are the minimum essential quantities of those commodities needed by the people. From these quantities and descriptions of consumers' goods can be developed a limited program of reconstruction and importation to reactivate the plants required to process sufficient raw material to produce the target quantities of consumers' goods.

Administratively, it is suggested that the whole field to be surveyed should be classified and coded (a suggested classification is set up in Appendix "B" for discussion at the meeting) and that the Classification of Needs should also be coded. The Sub-Commissions interested in the meeting of each class of need would prepare standard schedules for each of the classes. Each economic unit surveyed ^{would then be given} ~~coded then by giving~~ a set of code numbers reflecting its position

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in the field survey, and these coded numbers would appear on each of the schedules included in the survey of that unit. Control of the total survey would then be effected ^{by} recording the coded numbers of the surveys completed, and as each field of the survey is completed copies of the individual schedules could be grouped under classification of need and passed to the sub-commission interested as a complete picture of that class of need in the particular field of survey.

A time program would be needed to set dates by which the schedules are to be received by AC for inclusion in the first total survey, and for the distribution of the classified schedules to subcommissions and finally for the production of schedules of import requirements.

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APPENDIX "A"

Classification of Needs.

1. Specialized machinery, equipment or parts.
2. General engineering machine tools or plant.
3. Power plant and/or transmission lines.
4. Electro-motive and lighting equipment.
5. Railway equipment or materials.
6. Building plant or materials excluding structural steelwork.
- > 7. Highway and road bridging materials excluding structural steelwork.
8. Structural steelwork.
9. Specialist labor for demolition and/or building construction work.
10. General engineering supplies, metal sheets, shapes and rods.
11. Specialist labor for engineering repair and/or reconstruction work in situ.
12. Engineering repair and/or reconstruction work to be done in outside specialist plants.
13. Electric power to be brought in.
14. Water to be brought in.
15. Coal or lignite.
16. Fuel-oil, petrol, other petroleum products.
17. Raw materials.
18. Processed materials.
19. Transportation:
 - i) for reconstruction work.
 - ii) for raw material supply.
 - iii) for distribution of manufactured product.
20. Agricultural chemicals.
21. Labor not available locally.

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APPENDIX "B"

Field of SurveyTRANSPORTATION:

Ship and boat building yards.

Port installations.

Railroads, including construction and repair plants.

Road vehicles.

Road vehicle building and repair plants including tires and accessories.

Highways, bridges (road).

Generating plants.

Transformer and switching stations.

Transmission lines.

Treatment plant.

Piping and fittings.

Dams.

Treatment plant.

Piping and fittings.

Bonifiche pumping plant and pipe lines.

Agriculture (inc. ditching) machinery.

Silos, storehouses, slaughterhouses, packing plants and refrigerators.

Plants producing consumers goods.

Plants producing and/or processing raw materials.

Plants producing capital goods.

Coal and lignite mines.

Other mines.

Petroleum products - treatment and storage plants, pipelines and special vehicles.

Building contractors plant.

Engineering plant.

Rock quarries.

Chemical plants (Inc. agricultural).

UTILITIES:

Electric power:

Sewers:

Water:

AGRICULTURE:INDUSTRY AND COMMERCE:

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