

2. He stated that military relief in enemy territories would be kept to the very minimum, but that experience in Italy showed that this minimum would always be required; that there was no way of avoiding it. At present, UNRRA was not concerned with this matter, but Jackson confirmed my view that the relationship of UNRRA to relief in enemy territory might well be discussed at the next meeting of the Council.

3. Jackson referred, as I did in my despatch, to the memorandum produced at the last meeting of the Committee on Supplies which discussed relations with the military authorities. The Combined Boards are, as you know, now receiving relief programs both from the military authorities and from UNRRA, and efforts are being made to relate these programs and to keep them both flexible and tentative. Jackson confirmed that it might be difficult, and would probably be undesirable, to attempt to draw a hard and fast line between military and UNRRA relief supplies, both in respect of programs, allocations and procurement. The main thing was to build up a stockpile of supplies. This would certainly have to be done, in the first instance, by the Army and for the Army who are initially responsible; but it might well be that Army relief supplies would turn out to be more than those required for the military period, in which case it was understood that surplus supplies would be turned over to UNRRA, and the governments owning those supplies would receive a credit against their UNRRA contributions. There was, of course, a difficulty here, both for Canada and the United States, in view of the fact that the United Kingdom would be in possession of military relief supplies which she had secured by Lend-Lease from the United States and by Mutual Aid from Canada. Some way would probably have to be found by which financial credit for these supplies could be given to the countries furnishing them.

4. Jackson said that it was quite impossible to make an estimate of the probable cost of military relief. As to the estimates of the physical quantities required, some indication of this will be found in the memorandum from the British Army Staff to the U.K. Executive Officer of the Combined Food Board,[†] copies of which were sent to the Department on March 1st. These estimates, which are, of course, most secret and subject to change, cover only food and soap, but will give you an idea of the magnitude of the military relief problem as seen by the U.K. military authorities.

5 and 6. Distribution of relief during the military period will be made wherever possible through commercial channels. In so far as payment is concerned, the situation will be different in enemy countries than in liberated countries. In the former, payment will be secured, where possible, in the manner indicated by General Hilldring before the Senate Committee, and which I referred to in Despatch No. 494. Jackson emphasized that it was difficult to estimate now what will be realized eventually from ex-enemy governments in this way. The situation in Italy, for instance, was extremely confused. Four different kinds of currency were now circulating in Italian areas occupied by the United Nations forces. The situation in liberated Allied countries would be clearer, because governments of those countries would be established as soon as possible and would wish to take over at the earliest