

GENERAL HEADQUARTERS  
SUPREME COMMANDER FOR THE ALLIED POWERS  
APO 500

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AG 004 (27 Apr 48) FIB  
SCAPIN 1961/1

21 October 1949

MEMORANDUM FOR: JAPANESE GOVERNMENT

SUBJECT: Business Activities of Non-Japanese in Japan

Paragraph 3, Memorandum for Japanese Government, AG 004 (27 Apr 48) ESS/EX, SCAPIN 1961, General Headquarters, Supreme Commander for the Allied Powers, subject as above, 14 January 1949, is amended as follows:

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"3. In order to facilitate the restoration of normal economic relationships for the purpose of establishing the Japanese economy on a self-supporting basis, it is desired that the Japanese Government implement the principles set forth in the referenced circulars in the following manner:

a. Take the necessary legal steps to assure non-Japanese nationals and firms permitted to engage in business activities in Japan equal and non-discriminatory treatment with Japanese nationals and firms.

b. Receive and approve or disapprove, after obtaining concurrence of the Supreme Commander for the Allied Powers, applications by non-Japanese nationals and foreign controlled firms and their authorized agents to engage in the business of banking, insurance, communications, transportation, public utilities, professional services, or other businesses as hereafter may be designated; excluding, however, applications by non-Japanese nationals and firms engaging in the importation or dissemination of educational, informational or cultural materials from abroad and applications by military personnel and personnel attached to or accompanying the occupation forces and their dependents, which will continue to require approval or disapproval by the Supreme Commander for the Allied Powers. Prior to disapproval of an application or issuance of any written authorization to engage in any of the above mentioned included business activities, the Japanese Government shall submit its proposed action, including application, to the Supreme Commander for concurrence.

c. Conduct reasonable inspections of records, or other necessary examinations of businesses for the purpose of discovering whether the business is conducted according to applicable Japanese law and the regulations of the Supreme Commander for the Allied Powers. Violations revealed by such inspections or examinations shall be reported immediately to the Supreme Commander for the Allied Powers.

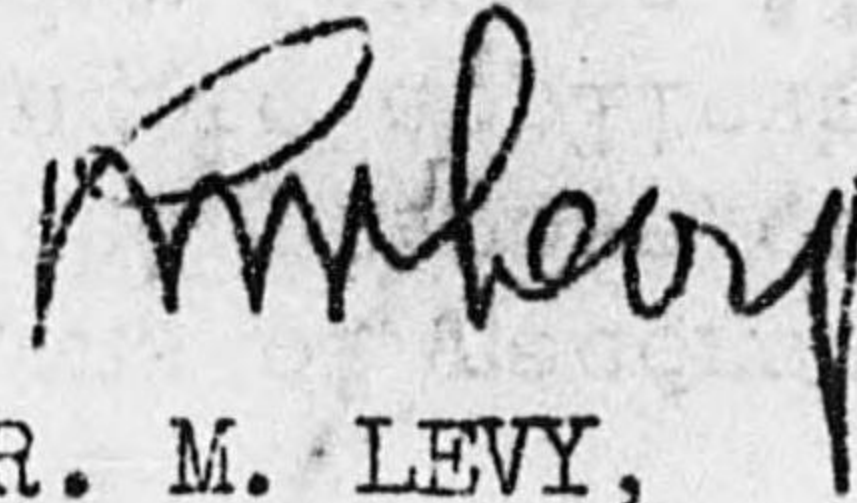
*Superseded  
by  
AG 004  
2-10-50*



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All reports of inspections or examinations shall be confidential communications. The inspections and examinations shall be conducted in accordance with Japanese law."

FOR THE SUPREME COMMANDER:



R. M. LEVY,  
Colonel, AGD,  
Adjutant General.