DECLASSIFIED E.O. 11652 SEC. 3(E) AND 3(D) OR (E) NNDS #

GHQ/SCAP Records(RG 331)
Description of contents

THE
NATIONAL ARCHIVES
OF THE
UNITED STATES

(1) Box no. 2240

(2) Folder title/number: (4)
Outgoing Radios - 1949: "C"

(3) Date: Jan. 1949 - Aug. 1949

(4) Subject:

Classification	Type of record
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(5) Item description and comment:

(6) Reproduction: (Yes) No

(7) Film no. Sheet no.

DECLASSIFIED E.O. 11652, Sec. 3(E) and 5(D) or (E) NNDG # [illegible]

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4

OUTGOING RADIOS

1949

"C"

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pondence of this same classification
has been authorized by the War Depart-
ment in accordance with the pro-
visions of paragraphs 16-3, 16-E, 53-A,
53-D (1) (2) (3), and 60-A (1) (2)
(3) (4), AR 380-5, 6 March 1946

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/EX WFM/SMF/lf

25 August 1949

250747

FROM: SCAP TOKYO JAPAN

TO: DA WASH DC.....PRIORITY

C-52128

For OASFE. Reurad W 92944, subject: Interest Rates on Commercial Loans and ECA Counterpart Funds.

1. Following are indicated prevailing interest rates for various classes of loans:

a. Commercial rate for short term paper, 2 to 4 months, 11%.

b. Long term, 1 to 5 years, 14%.

c. Industrial debentures, 5 years, 14.5%.

d. Local government rate, 1 year, 9.5%.

Normally no private loans are made in Japan for periods beyond 5 years.

2. In the light of information received reference radio, conclusion here that long term rate to be charged on counterpart fund loans should be 7.5%. While this rate is considerably below rates indicated in above paragraph, it is deemed important to encourage overall reduction of interest rates. Further, such rate should contribute to stimulating essential business projects and effecting general economic stabilization. Counterpart fund loans will normally extend for periods of ten years with variations depending upon probable life span of project.

3. It is further planned that provision be made for postponement in initial date of interest payments as well as amortization charges on such loans until completion of project and operation of plant or facility. This proposal should further contribute to the practicability of undertaking projects financed by the counterpart fund and contributing to furtherance of strategic investment.

4. Expect to proceed as indicated on 1 September unless advised otherwise.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Approved by C/S 8/25/49

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RESTRICTED

MACDILL

22 August 1949

XII

SCAP TOKIO JAPAN

220951

C-52090

SEPT OF STATE WASH DC.....ROUTINE

Redeptel 411 August 19. United States statement regarding resumption of international relationships by Japan was widely and prominently reported in Japanese press and continues subject of editorial comment. Both reports and comments have been enthusiastic and tended exaggerate matter and speak of resumption diplomatic or "semi-diplomatic" relations, almost entirely disregarding trade angle. In response inquiry local AP correspondent I gave oral statement to effect that subject is presently under study; that in view inability Japanese abroad register family status matters for eight years many thousands cases undoubtedly pending, indicating desirability making such registrations feasible. This statement likewise received wide press. Matter continues receive press publicity as reports reactions in foreign capitals are received; today's press carried rather nonessential AP report of London reaction.

GERALD

COPY FOR GS

OFFICIAL:

M. L. LEVY
Colonel, AGD
Adjutant General

APPROVED:

W. J. GERALD
Chief
Diplomatic Section

R/h: Foregoing is factual information for Department of State regarding local reaction to recent statement of Department of State concerning resumption of international relationships by Japan. Action is within established policy.

Weatherby X6-3528

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AG
GS

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DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NNDS #

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FTC WFM/FEP/CSM/emr

RESTRICTED 30 August 1949

FROM: SCAP TOKYO JAPAN

TO : DA WASH DC.....ROUTINE

C-52072

For FAOA GP. Reurmsg W 91797, and ourmsg C-51928. Subject is FY 50 EROA Procurement Program.

Part 1.

1. From list of items stated in urmsg, request procurement against Project 142FY 50, of following items for delivery in Japan first half FY 50.

Program (15 July)

Item No.	Quantity (MT)	Specs	End Use
28	2000 (Total)	Asbestos	
	30	Crude No. 1	Diaphragms
	90	Crude No. 2	Diaphragms
	380	3K and Similar	Gaskets, Cloth and Yarn
	120	3T and Similar	Gaskets, Packing, Lining
	335	4K and Similar	Gaskets, Packing, Lining
	1000	5D and Similar	Gaskets, Packing, Lining
	45	Blue PC	Cloth and Yarn
30	345	Channel Black Easy Processing Channel	Rubber Products
33	125	Gilsonite Standard	Insulating Paint
52	15	Pine Oil Yarma F	Flotation Reagents
	25	Pine Oil GNS #5	Flotation Reagents

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FROM: SCAP, TO DA, ESS/FTC WFM/FEP/CSM/emr Restricted

2. Previous investigation has been made to locate all applicable command excesses and/or indigenous or nearby sources of the above items.

3. Because of unstable prices and uncertain export markets, it is not considered desirable at this time to request procurement or to phase deliveries beyond first half FY 50. Requirements will again be reviewed about 1 October for third and part of fourth quarter procurement and phasing.

Part 2

As outlined ourmsg C-51928, most important that all possible requirements be procured through trade arrangements or currencies available to SCAP Commercial Account and that the corresponding dollar value be made available to SCAP through GARIOA Coordination or for procurement of EROA requirements as outlined ourmsg. Therefore SCAP will endeavor to procure the other items mentioned urmsg to extent required first half FY 50.

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

for: W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

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Chief of Staff
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Transp
Govt
Public H & W
Gen Proc
Nat Resources
GARIOA
ESS (Return)

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GHQ, FEC, MACOM, FEC
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE CPC/FP ECM/DHB/vl

Unclassified per DRB #-32, DATE: 15 AUG 49

MAR 50

151039

FROM: SCAP TOKYO JAPAN

TO: DA WASH DC .....ROUTINE

C-51945

For JCS. Receipt is acknowledged of URMSG W 92834,

14 August 1949.

OFFICIAL:

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

APPROVED:

E. C. MILLER, Jr
Colonel, Infantry
Deputy Custodian

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DS
CPC (Return 15 cys)

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Memo for Record: This radio in reply to Wash radio W 92834, 14 Aug 49, acknowledges receipt of their radio for purposes of issuance of press release in Washington. Administrative matter - no policy involved. Completes action on Line No. 41649.

Unclassified

E.C.M. Jr 26-5636

Line No. 41649

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/LAB WFM/CWH/SWT/mot

13 August 1949

130057

FROM: SCAP TOKYO JAPAN

TO: DA WASHINGTON DC ..... ROUTINE

C-51913

For OASFE. Reurmsg W 92635, 10 August 49. GHQ SCAP staff representative to ILO Asian Conference of Experts on training questions to be held Singapore 12 to 24 September will be selected. Name of individual will be forwarded upon selection. No Japanese delegation to be selected.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

for: W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

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ESS (Return)
Approved by C/S 12 August 1949.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

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OUTGOING MESSAGE ESS/FIN WFM/WKE/STB/CCE/hm(2)

9 August 1949

FROM: SCAP TOKYO JAPAN

TO: DA WASH DC .....ROUTINE

C-51860 For OASFE. Reurad W 92071. 090241

1. Comparison of Japanese Government plans and SCAP program for use of counterpart funds for JFY 1949-50 listed as follows:

	(Billions of Yen) Japanese Govt	SCAP
Loan to Government Railways	15.0	15.0
Loan to Government Communication Enterprise	12.0	12.0
Redemption of RFB Debentures and Other Debts	62.5	63.0
Loans to Private Industries:		
Coal	8.7	4.0
Iron and Steel	4.0	2.0
Electric Power	14.5	10.0
Shipping	7.0	4.0
Other Industries	4.8	5.0
Increase of Budgeted Programs		
Railway Capital Construction	1.5	0
Government Communication Enterprise Capital Program	1.0	0
Public Works	9.0	0
Reserve	0	25.0
Total	140.0	140.0

INFORMATION COPY

2. Japanese proposal is based upon desire to afford maximum stimulus to economic activity to counteract alleged deflationary movement and effect optimum expansion and modernization of industrial capacity. SCAP policy is to make counterpart funds available for particular "bottleneck" situations where because of peculiar circumstances private financing is not available.

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RECEIVED 9 AUG 1949

FROM: SCAP, TO DA ESS/FIN WFM/WKL/STB/ECF/mm

View here that Japanese Government taking unduly alarmist view of economic situation and that actual developments not out of line with those anticipated at time of Dodge Mission. However, conditions may deteriorate in coming months and SCAP policy is to retain maximum flexibility in ability to respond to changing circumstances. Reserve item of 25 billion yen is designated primarily as counter-deflationary weapon for use in event of deterioration of economic conditions.

3. SCAP program for industrial investment by fund based on appraisal of general capacity requirements in each industry, needs for particular individual items of capacity, relation of industry to overall present and long run production goals and requirements, and need for systematic reduction of imports. Program has carefully excluded proposals for subsidies of any kind. Note that amounts for coal and iron and steel industries are less than 50% of amounts proposed by Japanese. Reduction accomplished by elimination of projects not necessary to achievement and maintenance of production goals and of items appearing to be of nature of "stop gap" financing previously met by RFB. Amounts for electric power included to provide beginning of previously approved long term program of construction in that industry designed to reduce consumption of imported coal and petroleum and to increase fertilizer production. Part of amount planned for electric power is actually for projects in companies primarily producing fertilizer. Amount for shipping is maximum estimated as necessary, at reasonable cost for ship construction, to provide authorized tonnage of ocean vessels to be constructed this year. Shipping considered here as promising export and as necessary to reduction in cost of imported raw materials. The program for "other industries" consists of amounts for fertilizer and possibly pyrites for fertilizer, chemicals, petroleum, and agriculture and fishing. Increase in budgeted programs rejected as providing non-essential capital expansion and as being unjustified by existing economic conditions.

4. SCAP program for use of counterpart fund represents general magnitudes estimated as required for particular industries but is not a binding allocation for such industries or for particular purposes. If individual applications justify, amounts for particular industries may be increased or new items included. Japanese Government has sought to secure blanket approval of their program by major categories. SCAP approval, however, of use of fund will be on an individual project basis. Only project approval made to date was allocation of 6.991 billion yen for transportation and communications pursuant to earlier agreement and authorization by Dodge Mission. Of the 6.991 billion yen approved thus far, 5.619 billion will be loaned to the National Railway Corporation for the rehabilitation of the nation's rail transport system and 1.372 billion yen will be used to purchase Telecommunication Enterprise bonds to enable construction of new telephone and telegraph facilities. Announcement of SCAP program for use of counterpart fund shown in Part I this radio will be made only after Washington approval secured. Plan here to furnish Washington in

RECEIVED 9 AUG 1949

Restricted

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NND #

Restricted

FROM: SCAP, TO DA ESS/FIN WFM/WKL/STB/EDH/mm

advance quarterly plan by purposes within which framework approval of individual projects will normally be given here. It is planned to submit monthly report of projects approved and advance notice of monthly schedules of planned cash disbursements against approved projects. It has been intention here from the start of the program to obtain concurrence of interested U.S. governmental agencies in the various projects, however, the large number of prospective individual proposals promises to impose a very heavy administrative burden and would inevitably entail substantial delays if submitted on a project-by-project basis. In the interest of reducing such activities to reasonable proportions, suggest that Washington agencies require submitted for their approval individual projects amounting to 100 million yen or more. All projects will, of course, be submitted to post audit by Washington.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

for W. F. MARQUAT
Major General, U.S. Army
Chief, Economic and Scientific Section

HHH

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AG
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Approved by C/S 8 August 1949

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DECLASSIFIED E.O. 11652 SEC. 3(E) AND 3(D) OR (E) NNDG #

SECRET

GENERAL HEADQUARTERS
FAR EAST COMMAND

OUTGOING MESSAGE

FROM: RIG RG/hm

6 August 1949

SECRET

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080715

CINCFE TOKYO JAPAN

TO: DA WASH DC ..... NIACT

INFO: MIL GOVERNOR RYUKYU ISLANDS OKINAWA ..... NIACT

CX51849 Subj is extension of limited self-government in Ryukyu Islands. This msg in 5 parts. Recr WX86170, Part 6, 25 March 49.

Part I. On basis auth contained in paras 11 and 12, Enclosure "A," JCS 1231, propose to extend self-govt in Ryukyu Islands to maximum extent possible consistent with U. S. objectives in area and abilities of Ryukyuans to govern themselves.

Part II. Since liberation of Ryukyuans, natives have been granted local self-govt on mayor and local municipal council level. Four provisional area govts and assemblies on next higher admin level are appointed by Military Governor on recommendation local leaders.

Part III. In gen, local native officials have performed fairly well in difficult pd of continuing destitution and rehabilitation, taking previous lack of political freedom under Japan in due consideration. Anticipated favorable effect on Ryukyuan economy of "pay-as-you-go" program authorized by DA msg WX84201, 18 Feb 49, and resultant upsurge in morale and interest in elections indicate that it is now propitious time to implement plans long under consideration for broadening base Ryukyuan self-govt.

Part IV. Propose to take fol action:

1. Hold elections for governors and members of assembly in four provisional areas during calendar year 1950.

2. Stage a comprehensive pre-election information campaign. Successful elections with long-range viewpoint uppermost in mind depend largely on effective pre-election indoctrination including lessons in democracy from primer stage upward, significance of democratic elections, and election procedures, carefully and slowly spelled out.

INFORMATION COPY 9

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DECLASSIFIED DATA PROJ SEC. 3(E) AND 3(D) OR (E) AND #

FROM: CINCFE TO: DA WASH DC INFO: MIL GOVERNOR RYUKYU ISLS APO 331/ks 6 Aug 49

5. Grant local autonomy to maximum extent possible to local govts, retain veto and executive power in hands of MG.

Part V. Considered neither feasible nor desirable at present is establishment of provisional central Ryukyus govt as suggested Part 5, DA msg WX 65170, because of present political immaturity of Ryukyuans. Propose as interim action, however, to establish Ryukyus Advisory Council which will provide representative native participation at highest levels govt on advisory basis.

OFFICIAL: APPROVED:

R. K. LEVY
Colonel, AGD
Adjutant General

ROBERT F. GLENN
Colonel, CAC
Acting Chief, Ryukyus M. G. Section

Copies to:
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GS

Memo for Record:

1. JCS 1231 (paras 11 and 13, Enclosure "A") contains broad authority to establish "essential" government, "using local inhabitants insofar as feasible."

2. This is the only authority from higher echelons to extend self-government in the Ryukyus that is known to MGR.

3. Annex No. 2, Change 2 (21 Mar 49) Operations Instructions No 5, GHQ, FEC, includes among 20 objectives the following:

"4. b. Gradual broadening of the base of self-government and the adoption of a basic code of laws promulgated by elected representatives proceeding parallel with the inculcation of democratic precepts, as the word "democratic" is generally understood in the UNITED STATES.

6. Utilization of Ryukyuan Administration. The Military Governor of the Ryukyu Islands will insure that maximum utilization, consistent with objectives of military government administration, is made of services of qualified Ryukyuans in all phases of local native administration."

FROM:CINCFE TO:DA WASH DC INFO:MIL GOVERNOR RYUKYU RMG RG/mm 6 Aug 49

Memo for Record (cont'd)

4. Ltr CG RYCOM, file AIMG-L, subj: Constitutions for the Four Ryukyuan Governments, 6 Aug 48, recommended that each of the four provisional governments in the Ryukyus be permitted to draft constitutions for submission to the people by referenda. This proposal was envisaged as a step toward elections of local assemblies and eventually of governors of provisional areas.

5. RMG recommended on 22 Oct 48 approval of elections plans in the Ryukyus. No date for holding elections was stated in this proposal which was to be recommended to GHQ by CG RYCOM at the proper time. It was decided by the C/S to hold this matter in abeyance for the present.

6. By memorandum to the Chief, RMG, 9 Dec 48, Major General W. W. Eagles, CG RYCOM, stated that "elections in the immediate future would be premature for several reasons." These reasons had largely to do with the confused political situation and the economic destitution of Southern Okinawa.

7. By memo to C/S, 19 Dec 48, Major General E. M. Almond, D C/S FEC, reported substantially the same conclusions of Major General Eagles and Colonel Jesse P. Green, Deputy Chief of Staff for RYCOM MG. General Eagles at that time recommended postponement of election plans for six months.

8. On 4 Jan 49 the Chief, RMG, revieved the political situation in the Ryukyus and recommended in view of expected announcement of US decision affecting the Ryukyus that the matter of elections be held in abeyance until the decision was actually reached. The C/S approved this recommendation on 7 Jan 49.

9. RARMG W 84201, 18 Feb 49, indicated retention of strategic control of the Ryukyus on a long term basis. This policy stated that "the US had determined that it is now in the US national interest to alleviate the burden now borne (by Ryukyuans).....to the extent necessary to establish political and economic security." A "Pay-as-you-go" financial policy was adopted.

10. The Secretary of the Army's annual report for FY 48, made public in March 1949, stated that "Elections of legislative bodies for larger administrative areas is planned." The basis for this statement is unknown. No recommendations have been made to the DA concerning elections of legislatures for the Ryukyus. It is presumed that the announcement stems from the traditional US viewpoint on the self determination of peoples.

11. By ltr 17 Mar 49, subj: Ryukyuan Charter, CG RYCOM requested amendment to his ltr 6 Aug 48 (see par 4 above) as follows:

a. Recommended granting of charter to Ryukyus instead of four constitutions.

b. Under this charter to hold elections for local assemblies and governors of provisional areas during FY 50, also a "Central Assembly," and

FROM:CINCFE TO:DA WASH DC INFO:MIL GOVERNOR RYUKYU RMG RG/ms 6 Aug 49

Memo for Record (cont'd)

c. Appointment of an interim Ryukyus Advisory Council.

12. DAMSC WX 86170, 26 Mar 49, Part 6, to CINCFE (information copy to CG RYCOM) requested the present status of establishment of a "provisional central Ryukyus Government," asking for "full details." No plans have ever been formulated in GHQ for a "central" government. However, it is inferred that DA wants to know the progress of our plans for general broadening of self-government.

13. Chief, RMG, proposed to C/S on 24 Mar, 1 and 9 April 1949 a general plan for holding elections in the Ryukyu Islands envisioning extension of limited self-government to the Ryukyuans by the end of the calendar year 1950. RMG also recommended informing DA of these plans.

14. C/S in memorandum, 14 April 1949, to D C/S FEC, returned RMG paper and commented that RMG recommendations,

a. Indicated no definite plan of accomplishment,

b. Did not satisfy the request of Military Governor voiced in ltr 17 Mar 49 (for a charter and central assembly),

c. Were premature,

d. Did not indicate a definite plan looking to self-government by the Ryukyuans or the type of government that the constitution should guide, or what machinery was necessary to develop this government, and

e. Did not include a study by a group competent to evolve a system of government suited to the characteristics and capabilities of the Ryukyuan people.

15. Inst C/S to C/S forwards a staff study prepared by Mr. W. E. Monagan, Jr., Chief of the Political Division, RMG, who made a comprehensive political survey of about one month recently in the Ryukyus; Mr. Cecil Tilton, MG Section, Eighth Army, who visited the Ryukyus in 1947 and assisted in preparation of procedures and balloting during local elections; Mr. Frank Rizzo, Deputy Chief, Government Section SCAP; and Mr. Osborne Mangs, also of Government Section SCAP, which recommends:

a. Extension of limited self-government in the Ryukyus by holding elections in the present four provisional areas for governors and local assemblies,

b. Grant of local autonomy in these areas, retaining veto and executive power in hands of Military Governor,

c. Withholding grant of formal charter but guaranteeing personal rights and specifying structure of government by proclamation of ordinance,

d. That no central native government or assembly be authorized

Memo for Record (cont'd)

while Military Government is in power,

e. That Ryukyus Advisory Council be appointed, and

f. That early announcement be made of United States plans.

16. Proposed radio to DA in response to WX 86170 informs DA of plans for extension of limited self-government in the Ryukyus.

17. Proposed 1st Ind informs the Military Governor of the Ryukyu Islands of the approval of CINCFE of the election plans substantially as set forth in par 15 above.

18. Approved C/S 4 Aug 49.

19. Subsequent to approval by the C/S, the clause in the penultimate sentence commencing with the words "to insure..." of paragraph 8a, and the final sentence of paragraph 8b, were added to Annex "A" of the staff study for purposes of clarification. Their addition was orally approved by D C/S FEC.

ROBERT F. GLEIM
Colonel, GAC
Acting Chief, Ryukyus MG Section

CONFIDENTIAL

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/ADM WFM/MFN/HRG/ty

6 August 1949

FROM: SCAP TOKYO JAPAN

TO : DA WASH DC . . . . . PRIORITY

C-51820

FOR OASFE REURAD WILLIAM NINE TWO TWO EIGHT ZERO DTD TWO AUG FOUR NINE PD ALLISON AND MARLOW MUST DELIVER PAPERS REGARDING TWO CLAIMS AT NY OFFICE IMMEDIATELY PD INDIVIDUALS HAVE BEEN INSTRUCTED BY CABLE TO REPORT TO WASHINGTON MONDAY EIGHT AUG

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

for W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to: CinC, C/S, AG, FISCAL, GOVT, CIV PERS, COMPTROLLER, ESS (Return)

MEMO FOR RECORD:
1. Radio is completely self-explanatory.
2. Concurrence
Finance: Mr. Carroll
Fund Control: Mr. Rich

Mr. Harold R. Garrett 26-8539

M.F.N.

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GENERAL HEADQUARTERS

SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FIN WFM/WKL/WNR/yy

30 July 1949

300825

FROM: SCAP TOKYO JAPAN

TO: DA WASH DC.....ROUTINE

C-3-51710 FOR OASFE PD RE URMSG WILLIAM NINE ONE FOUR FIVE THREE JULY PD SUBJECT IS POSSIBLE ATTACHMENT PROCEEDINGS AGAINST BANK OF JAPAN PD SUBJECT WILL BE DISCUSSED WITH YOU BY REPRESENTATIVES OF THIS HEADQUARTERS PD ESTIMATED ETA NEW YORK FIVE AUGUST ETA WASHINGTON ONE TWO AUGUST

OFFICIAL: APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

MEMO FOR RECORD: 28 July 1949

1. Washington radio W 91453 deals with a phase of the overall banking situation which will be discussed in Washington by Messrs. Marlow of Funds Control and Allison of Finance Division upon their projected trip to Washington.

2. Concurrences not necessary.

W. N. Rogers 57-8810 W.K.L.

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SUPREME COMMANDER FOR THE ALLIED POWERS

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OUTGOING MESSAGE

CPC/PLD ECM/FAM/HS/my

DATE: 28 July 1949

~~Secret~~ SECRET

FROM: SCAP TOKYO JAPAN

TO: DA WASH DC . . . . . .PRIORITY

C-51645

For OASFE REURMSG WCL 24934, 8 July 1949, concerning JEIA request for information on present regulations governing manufacture by Japanese firms under German held licenses:

Present policy stems from radio W 86177, 13 September 1947, from WAR (WDSCA ECON) to CINCFE, subject, "Disposition Vested German Patent Property," as follows: "...for the time being, therefore, you should preserve these patents in present status, 'administering' them..." "This would include: (1) collecting royalties under existing license agreements (which agreements ...are subject to deconcentration and anti-trust measures adopted in Japan), and (2) the grant of temporary licenses where immediate use of the patent in your judgment is essential to achieve occupation objectives..."

Re desire of Maschinenfabrik Augsburg-Nuernberg A.G. to license Japanese manufacturers: assets, including patent properties and contractual rights, in Japan of this company are vested in the GEPC under Law No. 5 of the Allied Control Council for Germany. Furthermore, SCAP now has for consideration (1) application from Mitsubishi Jukogyo K.K. (formerly Yokohama Shipyard and Engine Works Co. Ltd.) for validation of existing non-exclusive license agreement with MAN; and (2) application from Kawasaki Heavy Industries Co., Ltd. at Kobe for extension of expired non-exclusive license agreement with MAN.

SECRET INFORMATION COPY

11

Secret

Secret

FROM: SCAP Tokyo Japan to DA Wash DC CPC/PID ECM/FAM/HS/vrm 28 Jul 1949

Both agreements cover, generally, the construction of MAN type diesel motors, under MAN patents and experiences.

In accordance with the provisions radio W 86177 above quoted, SCAP will validate license to Mitsubishi Jukogyo K.K. and will extend license of Kawasaki Heavy Industries Co., Ltd., Kobe, collecting royalties reserved in these contracts.

OFFICIAL:

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

APPROVED:

E. C. MILLER, Jr
Colonel, Infantry
Deputy Custodian

Copies to:
C-in-C
C/S
DC/S
DS
G-1
G-4
AG
GS
ESS
LS
CPC (Return 15 cys)

Memo for Record: Radio WCL 24934, 8 Jul 49, requests information on present regulations governing manufacturing by Japanese firms under German held licenses. Radio also states that Maschinenfabrik Augsburg-Nuernberg desires to license Yokohama Dock Yards and Kawasaki Heavy Industries to manufacture ship diesel motors. Subj radio answers inquiry and is self explanatory. Administrative matter - no policy involved. Concurrences by ESS. Completes action on Line No. 40376.

E.C.M.Jr 26-5636

#40376

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE — LS GTH/lc

~~RESTRICTED~~ — 22 July 1949

Unclassified per DRB #27, 1979

FROM: SCAP TOKYO JAPAN

TO: DA WASH DC . . . . . ROUTINE

290103

C-51670

For CAMFS. Reurad July W 13345. Variances noted arise because unblocking is not accomplished until a suspect has been acquitted or his sentence reviewed and approved. Number of blocked entries has always exceeded number of suspects whose cases have not been determined due to time required for review and processing. The figures quoted in reurad C51203 and the State Report dated 30 June 49 were correct as of said date. Recheck re blocked property of suspects now being made and report will follow.

OFFICIAL:

R.M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

E.M. LUGBIT
Deputy Chief
Legal Section

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INFORMATION COPY

Copies to:

CinC
C/S
AS RECORDS -2
GS
DS
CPC
LS COMEBACK
LS FILE

Memo for Record: DA requested clarification of variance. Above answer self-explanatory. CRL. _____ 26-6969.

ROUTINE

~~RESTRICTED~~ Unclassified

COPY FOR GS LS/CRL CRL

CONFIDENTIAL

[redacted]

CONFIDENTIAL

28 July 1949
264

[redacted] JCAF TOKYO JAPAN
[redacted] DEPT OF STATE WASH DC.....[redacted]

Z 90029

C-51667

Redeptel 242 July 19. As stated mideel 122 April 19 resumption of international responsibilities by Japan is one of SCAP's basic objectives. General MacArthur feels it most desirable in principle for Japan to open offices for trade promotion and limited consular affairs in Okinawa and elsewhere as soon as practicable and welcome Department's proposal. Concrete plan will be presented in detail upon completion studies now being undertaken by this Headquarters.

[redacted]

SECRET

APPROVED:

W. J. SEBALD
Chief
Diplomatic Section

SECRET

S. H. LOVE
Colonel, AGD
Adjutant General

W/h Approved by C/S 27 Jul 49.

JCS 124-5320

Copies to: CinC, C/S, G-2, G-3, Navy, AAF, CG, Ltr.

COPY TO GS

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GENERAL HEADQUARTERS
FAR EAST COMMAND

OUTGOING MESSAGE GA/CFAD RTB/ar

Secret 23 July 1949

250059

FROM: CINCFE TOKYO JAPAN

TO: DEPT OF ARMY WASH D C . . . . . ROUTINE

C-51593

FOR CSCAD FE PD REURMSG WILLIAM EIGHT SEVEN FIVE FIVE SEVEN CMA POLICY WITH REFERENCE TO TRAVEL OF TECHNICIANS AS CONTAINED OURMSG CHARLIE SIX THREE TWO NINE TWO AUGUST FOUR EIGHT BEING LIBERALIZED AS FOLLOWS CLN PARA ONE PD TRAVEL OF TECHNICIANS WILL BE AUTHORIZED WHEN REQUESTS ARE SUBMITTED OR INDORSED BY GOVERNMENT OF COUNTRY OF DESTINATION AND APPROVED BY SCAP PD TERM QUOTE TECHNICIANS UNQUOTE DEFINED AS ANY INDIVIDUAL POSSESSING A SKILL OR CAPABLE OF RENDERING A SERVICE WHICH IS SALEBALE ABROAD AS AN INVISIBLE EXPORT PD SUCH SKILL OR SERVICE WILL NOT RPT NOT INCLUDE WHAT IS UNIVERSALLY DEFINED AS QUOTE COMMON LABOR UNQUOTE PD PARA TWO PD SERVICES OF TECHNICIANS TO BE ON CONTRACT BASIS BETWEEN BUSINESS CONCERN IN COUNTRY OF DESTINATION AND BUSINESS CONCERN IN JAPAN WHICH WILL SUPPLY TECHNICIANS PD ALL TRAVEL EXPENSES TO BE BORNE BY BUSINESS CONCERN ABROAD PD TECHNICIANS SALARY TO BE PAID PARTIALLY, IN HIRING COUNTRYS INDIGENOUS CURRENCY FOR DAY DASH TO DASH DAY LIVING EXPENSES AND PARTIALLY BY DEPOSITS IN ACCEPTABLE CURRENCIES IN SCAP COMMERCIAL ACCOUNTS PD SALARIES TO BE BASED ON PREVAILING WORLD DASH WIDE STANDARDS FOR TECHNICIANS OF COMPARABLE TRAINING AND EXPERIENCE PD PARA THREE PD SCAP RESERVES RIGHT TO DENY TRAVEL OF ANY TECHNICIAN WHEN SUCH TRAVEL WILL ENDANGER JAPANESE ECONOMY EITHER THROUGH LOSS

INFORMATION COPY

SECRET
Secret

10

Secret

FROM: CINCFE, TO: DEPT OF ARMY GA/CFAD RTB/ar

OF TECHNICIANS SERVICES BY JAPANESE INDUSTRY CMA TECHNICIANS PRESENCE ABROAD RESULTING IN DEVELOPMENT OF FOREIGN INDUSTRIES WHICH THROUGH THEIR COMPETITION WILL DAMAGE JAPANS EXPORT BUSINESS CMA OR WHEN PERSONAL ATTRIBUTES OF INDIVIDUAL ARE SUCH THAT HIS ACTIONS OR ASSOCIATIONS WHILE ABROAD WOULD BE LIKELY TO ALIENATE FAVORABLE WORLD OPINION CONCERNING THE ALLIED OCCUPATION OF JAPAN AND POSSIBLY RAISE ISSUES INIMICAL TO THE AIMS OF THE OCCUPATION PD PARA FOUR PD SCAP WILL ATTEMPT PREVENT TRAVEL OF INDIVIDUALS WITH UNDESIRABLE POLITICAL ORIENTATION OR TRAVEL TO COUNTRIES WHOSE GOVERNMENTS NOT RPT NOT IN ACCORD WITH DEMOCRATIC PRINCIPLES PD CONSIDERED THAT SUCH PROHIBITION MIGHT EVENTUALLY RESULT IN CRITICISM OF SCAP PD SCAP ASSUMES UNITED STATES GOVERNMENT WILL DEFEND THIS POSITION PD PARA TARGET DATE COMMENCE IMPLEMENTATION THIS LIBERALIZATION THIS POLICY IS ONE AUGUST ONE NINE FOUR NINE PD COPY OF FORM CONTRACT AND MEMORANDUM TO FOREIGN MISSIONS HERE BEING AIRMAILED YOU THIS DATE

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED BY:

W. A. BEIDERLINDEN
Major General, GSC
Asst Chief of Staff, G-1

Copies to:
CinC
C/S
G-2
G-2 CIS
G-3
AG
GS
ESS
ESS/TS
DS
DC/S SCAP

M/R: 1. C/N, G-1 to C/S dated 13 May 1949, approved by C/S 21 July 1949.

25 JUL 1949
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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/IND WFM/MMC/WT/mk

21 July 1949

FROM: SCAP TOKYO JAPAN

TO: DA WASH DC.....PRIORITY

C-51536

210855

1. For OASFE reurad July W 91658. No objection to proposed distribution. Corrected capacity figures follow:

(1)	Heavy Electrical	$20,565,000
(2)	Cement	3,500,000 Tons
(3)	Abrasive Grain	6,000 M.T.
(4)	Abrasive Wheel	14,000 M.T.
(5)	Abrasive Paper and Cloth	172,000,000 Sheets
(6)	Electric Power Hydro	2,802,551 KW
(7)	Thermal	2,427,155 KW

Figures on electric power based on maximum firm achieved this year.

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to: CinC, C/S, DC/S, AG, GS, CPC, LS, DS, ESS (Return)

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CROSS REFERENCE

FILE UNDER: "C" Incoming 1949

DATE: 20 July 1949

FROM: CINCFE
"C" 51518

TO: CG MDW Washington DC

SUBJECT: Kauffman request permission to visit Japan for 3 Weeks

DOCUMENT FILED UNDER: Gen. Whitney's File

CLASSIFICATION

CABINET #

SHELF #

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/ADM WFM/VJD/st

20 July 1949

200133

FROM: SCAP

TO: DA WASH DC . . . . . PRIORITY

C-51502 FOR FAOA SAOAS FE PD REOURMSG CHARLIE FIVE ONE FOUR SEVEN NINE PART THREE SHOULD READ QUOTE REURMSG WILLIAM NINE ZERO ONE SEVEN EIGHT SEE OURMSG CHARLIE FIVE ONE THREE ONE NINE UNQUOTE

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

W. F. MARQUAT
Major General, U. S. Army
Chief, ESS

Copies to:
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C/S
GA
Govt
Gen Proc
Legal
NRS
Dip
GARIOA
ESS (Return)

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CONFIDENTIAL

No Memo for Record Necessary

CONFIDENTIAL V L D

INFORMATION COPY

INFORMATION COPY

Gen Whitney

~~SECRET~~

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FIN WFM/WKL/JRA/WNR/zl

19 July 1949

190731

FROM: SCAP TOKYO JAPAN

TO: DA WASH DC .....PRIORITY

C-51490

For SAOSA FE. Reurad W 89788, 9 June 1949. Utilization Japanese banks in export-import transactions and re-entry foreign banks into Japanese domestic banking functions is subject. Following message corresponds to sequence urad W 89788 and is in seven parts.

GOVT SEC

Part I - Noted

Part II

a. Directive establishing the Foreign Exchange Control Board was premised upon the principle that export functions of both foreign and Japanese exchange banks would be as nearly similar as possible under present conditions. Therefore, procedural changes for both types of banks will enable them:

(1) To advise letters of credit on behalf of correspondents to exporters in Japan.

(2) To purchase for their own account in Yen export bills forwarding such bills abroad for realization and sale of exchange to Foreign Exchange Control Board through credit of proceeds to designated SCAP Commercial Accounts.

(3) To discount export bills at transmission of literal (present rate henandling and comparable rates corre- 10% per annum). plain text of this message

(4) To provide facilities for advance of (export financing. Desirement in accordance with the pro- the foregoing program simultaneously as much of This has occasioned delay in opening Federal Reserve Bank accounts.

b. Objective cited in paragraph 4 ourad December 1948, C 66413, could be met by your proposal; however to facilitate control, mobility, and maximum use of credit facilities, it will be desirable

8

~~SECRET~~
Secret

for some time to come to concentrate funds in the Federal Reserve Bank of New York.

c. It is contemplated here that assumption by Foreign Exchange Control Board of control (subject to SCAP surveillance) over bulk of Japanese foreign exchange should be accomplished by stages as follows:

(1) Maintenance of an account by SCAP with the Federal Reserve Bank of New York as the depository of export proceeds of bills purchased by Japanese exchange banks and as the source of funds to cover import letters of credit opened by these banks together with continuation of accounts now maintained with SCAP Licensed Banks.

(a) It is contemplated that a deposit of $10,000,000 to $15,000,000 will be made in the Federal Reserve Bank of New York.

(b) That against this deposit and subsequent deposits of export proceeds, confirmations may be requested by Z.I. correspondents of Japanese Banks who desire such confirmation.

(c) In this connection it is contemplated that representatives of the Funds Control Division and the Finance Division, ESS, will be sent to the Z.I. to work out detailed procedures with Washington, the Federal Reserve Bank of New York and interested financing institutions.

(2) Eventually opening of Bank of Japan branch in New York, under surveillance of a SCAP representative, as domiciled agent of Foreign Exchange Control Board and all Japanese exchange banks. Such branch to open clearing accounts for Japanese exchange banks and to be the depository of a SCAP Commercial Account. Initially this branch would maintain balances with the Federal Reserve Bank of New York and later, as and when approved by SCAP, with private banks in the United States; to advise, confirm, or arrange confirmation through Z.I. banks of import letters of credit opened by Japanese exchange banks; to purchase dollar proceeds of export bills for the account of the Foreign Exchange Control Board as such bill proceeds are transmitted through clearing accounts for SCAP Commercial Account, payment to be effected by yen drawings on Japan; to perform other services for Japanese exchange banks with respect to their export-import operations.

(3) Eventually to permit the maintenance of limited balances by Japanese exchange banks initially with the Bank of Japan in New York and ultimately with correspondent banks of their own choice.

d. Development and implementation of the foregoing program is dependent, with respect to speed of accomplishment, upon many factors such as (1) the degree to which the Foreign Exchange Control Board and the Bank of Japan as its agent prove capable of assuming their responsibilities, (2) developments of Japanese international trade, (3) rapidity with which SCAP's commitments may be liquidated or substitute means for collateralizing such commitments other than by SCAP guarantee is found, et cetera.

Part III

A 1. Action in process.

2. Examination here indicates foreign banks are generally interested only in carrying sufficient yen deposits to service their pre-war and carefully selected new clientele. Carrying costs are high and effective utilization of yen deposits are extremely limited except for export financing. Japanese banking interests have indicated fears of deposit drains but information here is that, in addition to the fact that Japanese companies are inextricably tied to Japanese banks, the principle argument is a bargaining one directed at the re-entry of Japanese banks into the financing of international trade and the acquisition of foreign currency balances. It is felt that, should undue deposit drains occur, SCAP is in a position to promptly take such remedial action as may be deemed appropriate.

3. Agree with principle, however, the matter is largely academic, except as concerns the Bank of Japan (See Part II c (2) and (3) because exchange costs for the maintenance of Japanese bank branches abroad will, for some time to come, be prohibitive due to limited exchange availability. For all practical purposes, a sufficient concession in this respect would be opening of a very limited number of Bank of Japan branches in strategically located spots such as London and New York and, when appropriate, maintenance of correspondent accounts abroad, particularly with British and sterling area banks. Believe that application of the principle of complete reciprocity on an individual country basis would create discrimination and be difficult to apply. While complete reciprocity might be retained as a bargaining point, suggest it be applied only as a last resort in obtaining concessions outlined above and after exhaustion of other persuasive methods.

Secret

FROM: SCAP, TO DA ESS/FIN WFW/TKL/JRA/WNR/zl

P. Due to the liquidation of large pre-war trading companies and the emergence of multiple export-import companies attempting to establish themselves and requiring extensive credit facilities which only Japanese banks will accord them until such time as their credit responsibility is generally accepted, Japanese exporters' accounts are not, under present conditions, such as could be termed "bread and butter" ones and therefore do not present a problem.

C. Concur subject to comments outlined above.

Part IV

A, B, and D noted.

C. From point of view of facilitating international trade, believe it desirable if not imperative for foreign banks to be enabled to participate in domestic financing of export-import operations of their clientele. Therefore, as indicated above, consider cited position should be maintained for bargaining position only.

The long yen position of FCCJ is practically depleted and there is imperative need by the British banks for yen operating funds. British Exchange Control has offered through UKLM sterling one million pounds against yen furnished in Japan by Foreign Exchange Control Board. However, it has not been made clear how this sterling may be used.

Believe that availability of both foreign and yen funds essential to a bank (whether foreign or Japanese) engaged in financing foreign trade operations.

Part V

Awaiting information.

Part VI

New but related subject. Request information re acceptable spread between Foreign Exchange Control Board's buying and selling rates. Desire to conform with such principles as may have been indicated by International Monetary Fund in this respect. In view of wide disparity between yen here (10% and up) and rates abroad (Particularly New York), also request views re establishment of export bill interest rates and charges on sight bills under import letters of credit.

RECEIVED 20 JUL 1949

4

Secret

FROM: SCAP, TO DA ESS/FIN WFM/WKL/JRA/WNR/zl

Part VII

Reurad W 90971, 2 July, paragraph A believed answered by above discussions. Re paragraph B, it is contemplated that additional Public Law 820 funds will not be utilized until September or October. In view of low handling charges and convenience of opening letters of credit through Z.I. banks with offices in Japan, it is believed that financing of next procurement will probably be confined to such banks, even if decentralized procurement by Japanese mills and importers is utilized. In this connection, information requested whether individual notes of Japanese concerns would be acceptable if they acted as procuring agents or whether endorsement by Ministry of International Trade and Industry would be required. Matter will be discussed with NAFREF Fiscal Control Officer by representative of Funds Control Division upon arrival in Z.I.

APPROVED

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

R. M. LEVY
Colonel, AGD
Adjutant General

Copies to:
C in C
C/S
AG
Fiscal
Govt Sec
Controller SCAP and FEC
ESS (Return)

Approved by C/S 19 July 1949.

CONFIDENTIAL

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FTC WFM/FEP/AJG/HAS/sb

19 July 1949

190259

FROM: SCAP TOKYO JAPAN

TO: DA WASH DC.....PRIORITY

C-51479

For FAOA SAOAS FE. Reurmsgs W-91120 July 49, W-89949 June 49, W-88353 May 49 and our msg C-51115 June 49. French Potash procurement is subject.

1. Proposed Japanese FY 50 Import Program includes 260,000 metric tons potash containing 40% K20.

2. SCAP contracting with French under open account agreement for purchase of Potash at prices and in tonnages indicated ourmsg C-51115 and the sale of ship mentioned urmsg W-90341 June 49.

3. Reurmsg W-91078 see ourmsg C-51319.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to:

C in C
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GA
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NRS
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ESS (Return)

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE CCS IR/END/hl

15 Jul 49

RESTRICTED

GS

15112 JJ

FM: SCAP TOKYO JAPAN

TO: DA WASH DC. . . . . PRIORITY

C-51435 For OASFE. Reurad W-91464 sgd West. Please refer ourad Z-16618 for CSCAD which believed to contain adequate solution to problem.

OFFICIAL: APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

GEORGE I. BACK
Brigadier General, Signal Corps
Chief, Civil Communications Section

COPY TO:
C-in-C
CofS
AG
Signal
GS
LS
DS
CCS (Return)

NFR:

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1. Our Z-16618 agrees to direct circuit Japan-Germany in accordance with provisions thereof.

2. DA radio W-91464 from OASFE is simply a follow-up in support of said circuit.

3. This radio is to advise OASFE to refer to our Z-16618.

ENDotson/26-6426/hl

INFORMATION COPY

RESTRICTED

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE NR-F1 HGS/WCH/WT/jw
13 July 1949

CONFIDENTIAL

Confedential

130313

FROM: SCAP TOKYO JAPAN

TO: DEPT OF ARMY WASHINGTON.....PRIORITY

C-51376 For OASFE. Re tel query Robert West to General Marquat on FEC paper SC-271/14 on extension Japanese fishing areas and urmsg W 91108, dtg 062212Z.

1. Par 2b of proposed FEC paper, requiring SCAP to obtain prior authority of any nation directly concerned in the fishing areas to be made available to the Japanese fishing fleets, considered highly undesirable.

2. Because of the interest of other nations in Japanese fishing activities SCAP has adopted the policy of discussing proposed extensions with nations having a primary interest in the areas under consideration. It is felt that to go further than this and require individual approval from each country claiming an interest in high seas fishing areas under consideration would be unrealistic. Ill-considered and shortsighted policy of some nations probably would make any extension impossible under this condition regardless of merits of case.

GS

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FROM: SCAP TOKYO JAPAN, TO DEPT OF ARMY WASHINGTON

NR-F1 HGS/WCH/RVT/lw 13 July 1949

3. No FEC policy on this subject is considered necessary

OFFICIAL:

APPROVED:

Hubert G. Schenck

R.M. LEVY
Colonel, AGD
Adjutant General

HUBERT G. SCHENCK
Lt Col CE
Chief, Natural Resources Section

Copies to:
C-in-C
CS
DC/SCAP
DS(2)
G-1
G-3
G-4
ESS
AG
GS
CPC
NR Return (3)

NOTE FOR RECORD:

1. Reference:

a. Memo to Chief of Staff from ESS, subj: FEC Paper on Expansion of Japanese Fishing Areas, 3 Jul 49.

b. SCAP rad to DA (CSCAD) C-61025, dtg 280915 May 48.

c. DA rad W 91108, dtg 062212 Z July 49.

2. Memo (par 1a) refers to telephone conversation Gen Marquat, ESS and Mr Robert West, DA, Washington, D.C. regarding par 2b of FEC paper SC 271/14 which states:

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FROM: SCAP TOKYO JAPAN, TO DEPT OF ARMY WASHINGTON

NR-F1 HGS/WCH/RVT/jw 13 July 1949

"The Supreme Commander for the Allied Powers may, subject to security considerations, expand present Japanese fishing or other commercial aquatic activities. If such expansion will involve an area in which any member country of the FEC has a direct concern in respect to fishing or other commercial aquatic activities, prior authorization shall be obtained by SCAP from such country. In cases where no agreement is reached within a reasonable period, SCAP shall refer the matter to the FEC."

Memo states that DA feels that this requirement would tie the hands of SCAP. Comment was requested in this provision as well as whether:

a. There is any reason why SCAP would desire such a provision or not.

b. FEC policy is necesary on this subject. This inquiry was followed by DA rad W 91108 requesting same info.

3. By rad C-61025 (par 1b) SCAP expressed concurrence with U.S. view that he should make arrangements with countries directly concerned for further extension of authorized area for Japanese fishing. Because of the interest of other nations in Japanese fishing activities SCAP has adopted the policy of discussing proposed extensions with nations having a primary interest in the areas under consideration. This policy is preferred to that set forth in par 2b of FEC paper SC 271/14, quoted above.

4. Instant rad expresses SCAP's preferred policy as above. FEC policy on this subject is considered unnecessary.

5. Concurrence: Mr C.K. Huston, 26-7011, DS.

6. This message approved by Chief of Staff, 12 Jul 49.

R.V.T. RWJ 26-8491

Confidential

GENERAL HEADQUARTERS
FAR EAST COMMAND

GA/MOMI WAB/EJS/JAP/hl

OUTGOING MESSAGE

7 July 1949

Confidential
CONFIDENTIAL

FROM : CINCFE

CONFIDENTIAL

TO : DEPT OF ARMY.....PRIORITY

C-51262 FOR CSCAD BMP PD RECOURLET ABLE GEORGE TWO THREE ZERO

POINT FOUR TWO PAREN ONE ONE JUN FOUR NINE PAREN GEORGE ABLE AND URAD

WILLIAM CHARLIE LOVE TWO THREE NINE EIGHT SIX PD VISITING EXPERT PROGRAM

FOR JAPAN CMA FISCAL YEAR FIVE ZERO IS SUBJ PD THIS RAD IN TWO PARTS PD

PART ONE PD IN CLARIFICATION OURLET CMA FOLLOWING RESTATED CLN PAREN ONE

PAREN CIVIL INFORMATION AND EDUCATION PD REQUEST RECRUITMENT OF EXPERTS

ONLY FOR FIRST SESSION PAREN ONE AUG FOUR NINE PAREN OF INSTITUTE OF

EDUCATIONAL LEADERSHIP PD FIFTEEN EXPERTS LISTED IN FOLLOWING SUBPARAGRAPHS

UNDER PARAGRAPH ONE EASY CMA INCLOSURE ONE REQUIRED CLN PAREN ONE PAREN FOUR

CMA PAREN TWO PAREN FOUR CMA PAREN THREE PAREN FOUR CMA PAREN FOUR PAREN

TWO CMA AND PAREN EIGHT PAREN ONE PD PAREN TWO PAREN ECONOMIC AND

SCIENTIFIC PD UNDERSTAND HERE FUNDS FOR EXPERTS LISTED PAGES ONE AND TWO

CMA INCLOSURE TWO CMA OBLIGATED IN FISCAL YEAR FOUR NINE PD REQUEST

RECRUITMENT OF EXPERTS LISTED PAGES THREE CMA FOUR CMA AND FIVE INCLOSURE

TWO OURLET UNDER FISCAL YEAR FIVE ZERO PROGRAM PD PAREN THREE PAREN

NATURAL RESOURCES PD REQUEST RECRUITMENT OF ONLY FIRST ONE ZERO EXPERTS

LISTED ON PAGE INCLOSURE THREE ENTITLED QUOTE VISITING EXPERT PRIORITIES

FISCAL YEAR ONE NINE FIVE ZERO UNQUOTE SMCLN SALARIES CMA PERIODS CMA AND

SUGGESTED INDIVIDUALS ON PAGES FOLLOWING PD PART TWO PD REFERENCE FUND

REQUIREMENTS PD PROGRAM OUTLINED PART ONE WILL REQUIRE APPROX ONE FIVE

EIGHT CMA ZERO FIVE ZERO DOLLARS ASSUMING SEVEN SEVEN CMA FOUR ZERO ZERO

DOLLARS FOR EXPERTS LISTED PAGES ONE AND TWO INCLOSURE TWO OBLIGATED

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FISCAL YEAR FOUR NINE PD SCHEDULED REDUCTION REGULAR PERSONNEL UNDER

GARIOA PROJECT FOUR ONE TWO FISCAL YEAR FIVE ZERO RESULTING FROM MANAGEMENT

AND MANPOWER SURVEYS WILL PROVIDE REQUIRED FUNDS TO SUPPORT PROGRAM

OUTLINED OURLET AND PART ONE PD FOR YOUR INFORMATION CMA FISCAL YEAR FIVE

ZERO COLUMN OF FISCAL YEAR FIVE ONE ESTIMATES FOR PROJECT FOUR ONE TWO

INCLUDES TWO FIVE ZERO CMA ZERO ZERO ZERO DOLLARS FOR VISITING EXPERTS

JAPAN AND STILL SHOWS REDUCTION IN NET REQUIREMENTS FOR FISCAL YEAR FIVE

ZERO OF ONE POINT EIGHT MILLION FROM ONE EIGHT POINT FIVE MILLION.

REQUESTED BY DEPT OF ARMY OF BUREAU OF BUDGET PD PARAGRAPH PD ADVICE

REGARDING RECRUITMENT OF EXPERTS IN ADDITION TO PROGRAM OUTLINED PART ONE

WILL BE FURNISHED ON RECEIPT FROM DEPT OF ARMY OF FIRM FUNDING PROGRAM

FOR GARIOA PROJECT FOUR ONE TWO

OFFICIAL: APPROVED:

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

for W. A. BIDDERLINDEN,
Brigadier General, GSC,
Asst Chief of Staff, G-1.

COPIES TO: CinC, C/S, AG, COMP, FISCAL, GARIOA, G-4

M/R: 1. Program contained in Part I approved by C/S on 8 June 1949.

2. $250,000 for visiting experts for FY 1950, was included in FY 1951 estimates, also approved by C/S.

3. Data contained in this rad is in clarification or restatement of information previously submitted to or available in DA.
(Mr. Pruett 26-5940)

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

~~CONFIDENTIAL~~
Confidential

OUTGOING MESSAGE

CPC/RP JFC/RHE/dg

DATE: 5 July 1949

FROM: SCAP

TO: DEPT OF ARMY . . . . . PRIORITY

C - 51214

For OAS FE REURMSG W 90279.

All Primary War Facilities have been stripped of war facilities nature and are now producing as peace time industries. Production is included with the capacity for particular industry in which they are presently operating. Today sixty (60) percent of these plants are in operation.

The following is breakdown of War Supporting Industries listed in FEC 084/21. For this report, (A) represents number of plants, (B) annual capacity, (C) number of plants operating, (D) percentage of operation, and (E) percentage of plants operating. Included in the capacity shown are the "operable" capacity and the readily repairable capacity:

	A	B	C	D	E
Shipbuilding	87		87		100
(1) New Construction		641,840 GT		80	
(2) Repair		6,497,712 GT		60	
Machine Tool Mfg	149	22,000 MT	50	33	40
Ball Bearing	28	8,000 MT	17	50	61
Railway Equip	15		15		100
(1) Steam Locomotives		300 Units		60	
(2) Elec. Locomotives		75 Units		30	

Handling and transmission of item 1 of the plain text of this message as correspondence of the ~~TOP SECRET~~ classification has been authorized by the War Department in accordance with the provisions of paragraphs 16-C, 18-E, 53-A, 55-B (2) (4), 60-A (1) (2) (4) AR 380-5, 6 March 1946

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39593

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FROM: SCAP, TO DEPT OF ARMY CPC/RP JFC/RHE/dg 5 Jul 49

	A	B	C	D	E
(3) Passenger Cars		1,500 Units		26	
(4) Freight Cars		6,000 Units		35	
Automotive	30	83,000 Units	30	68	100
Heavy Electrical	84	$2,565,000	57	67	68
Soda Ash and Solvay Process Caustic Soda	4	230,000 MT Soda Ash and 185,000 MT Caustic Soda	3	50 Soda Ash 30 Caustic Soda	75
Electrolytic Caustic Soda and Chlorine	36	128,800 MT Caustic Soda and 113,000 MT Chlorine	32	66 Caustic Soda 66 Chlorine	89
Nitric Acid (98% Acid)	12	140,410 MT	8	25	67
Sulfuric Acid (50° Be)	66	3,531,808 MT	63	65	95
Calcium Carbide	51	625,000 MT	44	65	86
Indus. Explosives	4	25,000 MT	4	70	100
Synthetic Rubber (Converted to fertilizer)	7	750 MT	4		57
Cement	37	875,000 MT	34	71	92
Abrasive					
(1) Grain	11	1,500 MT	11	60	100
(2) Wheel	64	3,500 MT	64	51	100
(3) Paper and Cloth	45	43 mil. sheets	45	34	100
Iron and Steel	102		96		94
(1) Pig Iron		3,600,000 MT		27	
(2) Ingot		6,400,000 MT		39	
(3) Rolled Products		4,200,000 MT		71	
Coal Carbonization (in terms of coal consumption)	173	15,360,000 MT	159	44	92

#39593

FROM: SCAP, TO DEPT OF ARMY CFC/RP JFC/RHE/dg 5 Jul 49

	A	B	C	D	E
Non-ferrous					
(1) Copper Refining	11	138,720 MT	8	44	73
(2) Lead Refining	7	98,160 MT	7	14	100
(3) Zinc Refining	9	107,200 MT	7	29	78
(4) Tin Refining	5	2,990 MT	3	15	60
(5) Antimony	5	1,800 MT	3	55	60
Light Metals					
(1) Alumina	7	220,000 MT	3	20	43
(2) Aluminum	9	100,000 MT	3	20	33
(3) Aluminum Rolling	73	140,000 MT	54	60	74
(4) Magnesium	4				
Oil Refining					
(1) Indigenous Area	6	9,500 bbls/day	6	35	100
(2) Pacific Coast Area	12	40,000 bbls/day			
Synthetic Fuel (Producing Semi-coke for the fertilizer and steel Ind.)	6		6		100
(1) Low Temperature Carbon		59,080 KL (Crude oil)			
(2) Fischer Tropsch		24,480 KL (Crude oil)			
(3) Semi-Coke		1,509,600 MT		58	
Oil Storage		17,250,000 bbls		44	
Electric Power (Firm capacity in KW)					
(1) Hydro	1,352	2,802,551 KW	1,352		100
(2) Thermal	328	2,427,155 KW	328		100

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FROM: SCAP, TO DEPT OF ARMY CPC/RP JFC/RHE/dg 5 Jul 49

	A	B	C	D	E
Merchant Ship					
(1) Merchant Marine	993	1,584,358 GT	993		100
(2) Fishing Fleet	390	157,380 GT	390		100
(3) Whaling Fleet	45	37,156 GT	45		100
(4) Cannery Vessels	None.				

The only removals under the Advance Transfer Program have been from 18 Army and Navy Arsenals. Tonnage already delivered is approximately 54,933 metric tons gross weight. Now being delivered as the final deliveries under this program is approximately 43,252 metric tons net. In terms of 1939 yen, there have been delivered to date approximately 98,996,276 yen and being delivered as final deliveries under this program approximately 62,915,164 yen.

OFFICIAL:

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

APPROVED:

for JOHN F. CONKLIN
Brigadier General, USA
Custodian

Copies to:
C-in-C
C/S
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AG
GS
ESS
LS
DS
CPC (Return 15 cys)

MEMO FOR RECORD: This radio answers W 90279, 18 Jun 49, requesting information upon which to base a reply of an inquiry submitted by New Zealand Representative FEC. Administrative Matter - no policy involved. Completes action on Line No. 39593. Concurrence ESS.

for J.F.C. 26-5637

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

~~CONFIDENTIAL~~

OUTGOING MESSAGE

5 July 1949 LS-L

Unclassified per 050817
DRB # 27, 1979

FROM: SCAP

TO : DEPT OF ARMY. . . . . PRIORITY

C-51209

REURAD W NINE ZERO TWO ZERO TWO CMA ONE SEVEN JUN FOUR NINE CMA FOLLOWING SUBMITTED PARA ONE ABLE OF THREE THREE FOUR WAR CRIMINAL SUSPECTS ESTATES STILL BLOCKED CMA AT PRESENT BREAKDOWN IS CLN PAREN THREE THREE IN PROCESS OF UNBLOCKING PAREN PAREN ONE PAREN NUMBER OF SUSPECTS APPREHENDED IN JAPAN FOR TRIAL IN JAPAN CLN FIVE FIVE PAREN TWO PAREN NUMBER OF SUSPECTS APPREHENDED IN JAPAN FOR TRANSFER TO OTHER NATIONS FOR TRIAL CLN TWO SIX ONE PAREN FRENCH CMA NINE ZERO SMCLN AUSTRALIAN CMA SEVEN SEVEN SMCLN DUTCH CMA TWO NINE SMCLN BRITISH CMA TWO TWO SMCLN HONGKONG PAREN BRITISH AND AUSTRALIAN PAREN CMA ONE SEVEN SMCLN PHILIPPINES CMA ONE SIX SMCLN CHINA CMA SEVEN SMCLN COMNAV MARIANAS CMA THREE PAREN PAREN THREE PAREN NUMBER OF SUSPECTS APPREHENDED OUTSIDE JAPAN FOR TRIAL OUTSIDE JAPAN CLN ZERO PAREN THERE IS NO INFORMATION AVAILABLE FOR THIS PARTICULAR ITEM SINCE REPORTS ARE MADE BY OTHER COUNTRIES ONLY ON THE RESULTS OF TRIAL PAREN PAREN FOUR PAREN UNAPPREHENDED SUSPECTS CLN ONE EIGHT PAREN SCAP CMA ONE ZERO SMCLN FRENCH CMA SIX SMCLN AUSTRALIAN CMA ONE SMCLN PHILIPPINES CMA ONE PAREN PARA BAKER STATEMENT QUOTE WAR CRIMINAL SUSPECTS STILL BEING APPREHENDED UNQUOTE REFERS TO OUTSTANDING APPREHENSION ORDERS AND APPREHENSION REQUESTS CURRENTLY BEING RECEIVED FROM OTHER NATIONS PD LATEST APPREHENSION

Plain text of this message as cor-
rected by me has been authorized by the War Depart-
ment in accordance with the provisions of paragraphs 18-5, 53-A
53-D (1) (2) (3), and 50-A (1) (2)
(3) (A) AR 380-5, 6 March 1946

INFORMATION COPY

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Copy for Government Section CRL/JB/lk

Gen Whitney
Rizzo

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE

~~CONFIDENTIAL~~

5 July 1949 LS-L

Unclassified

FROM: SCAP

TO : DEPT OF ARMY. . . . . .PRIORITY

050817

ORDER ISSUED ON PHILIPPINE REQUEST DATED ONE EIGHT MAY FOUR NINE AND LATEST ONE FOR AUSTRALIA DATED TWO ZERO JUN FOUR NINE PD OURAD FEB C SIX SEVEN FIVE SEVEN NINE NOT CONSIDERED AS LIMITATION ON MEETING SUCH REQUESTS IN VIEW OF PARA EIGHT CMA W EIGHT FIVE FOUR SIX SEVEN APR FOUR SIX PARA CHARLIE YOUR ASSUMPTION CORRECT RE PRACTICE IN JAPAN PURSUANT TO URAD WAR EIGHT ZERO SIX THREE SEVEN CMA TWO THREE JUNE FOUR SEVEN PARA TWO IF IT IS CONSIDERED NECESSARY TO REQUEST AMENDMENT OF FAR EASTERN COMMISSION POLICY DECISIONS RE SUBJECT CMA BELIEVE EFFORTS TO THAT END SHOULD BE UNDERTAKEN SOONEST PD DESIRE TO REITERATE NO FORFEITURES OF WAR CRIMINALS PROPERTIES ADJUDGED TO DATE AND NO FORFEITURES EXPECTED

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

C. R. LIGGIT
Acting Chief
Legal Section

Copies to: CinCFE
CofS
GS
DS
CPC
AG RECORDS - 2
LS COMEBACK
LS File

2

PRIORITY

~~CONFIDENTIAL~~

Unclassified

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

CUTCOING MESSAGE

5 July 1949 LS-L

FROM: SCAP

TO : DEPT OF ARMY. . . . . .PRIORITY

Memo for Record: 5 Jul 49: Cited radio requested 1. Information re A. Breakdown of war criminal suspects' estates still held in custody pending court decision; B. Clarification of statement "war criminal suspects still being apprehended" in light of SCAP rad Feb 49 (C-67579); C. DA assumption re disposition of property of persons not tried or acquitted; 2. Probable amendment of FEC 007/3/4 in view of SCAP's recommended policy re completion war crimes investigation and trials. This radio to furnish info requested. Concurrence received from CPC with addition of last sentence. Approved by Deputy CofS (APP) 2 Jul 49. JR Meiji 362.

DIVISION OF NAVAL INTELLIGENCE
CAST RUL 8

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE

CONFIDENTIAL

FROM: SCAP 5 July 1949 18-L

TO : DEPT OF ARMY. . . . . .PRIORITY 450817

C-51209

Reference your radio W-90202, 17 Jun 49, following submitted:

1. A. Of 334 war criminal suspects' estates still blocked, at present breakdown is: (33 in process of unblocking)

(1) Number of suspects apprehended in Japan for trial in Japan: 55

(2) Number of suspects apprehended in Japan for transfer to other nations for trial: 261

(French, 90; Australian, 77; Dutch, 29; British, 22; Hongkong (British and Australian), 17; Philippines, 16; China, 7; COMNAV Marianas, 3)

(3) Number of suspects apprehended outside Japan for trial outside Japan: 0

(There is no information available for this particular item since reports are made by other countries only on the results of trial)

(4) Unapprehended suspects: 18

(SCAP, 10; French, 6; Australian, 1; Philippines, 1)

B. Statement "war criminal suspects still being apprehended" refers to outstanding apprehension orders and apprehension requests currently being received from other nations. Latest apprehension order issued

PRIORITY

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE

~~CONFIDENTIAL~~ Reading Copy 5 July 1949 LS-L

FROM: SCAP

TO : DEPT OF ARMY. . . . . .PRIORITY

on Philippine request dated 13 May 49 and latest one for Australia dated 20 Jun 49. Our radio Feb C-67579 not considered as limitation on meeting such requests in view of paragraph 6, W-85467 Apr 46.

C. Your assumption correct re practice in Japan pursuant to your radio War 80637, 23 Jun 47.

2. If it is considered necessary to request amendment of Far Eastern Commission policy decisions re subject, believe efforts to that end should be undertaken soonest. Desire to reiterate no forfeitures of war criminals' properties adjudged to date and no forfeitures expected.

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

C. R. LIGGIT
Acting Chief
Legal Section

Copies to: CinCFE, CofS, GS, DS, CPC, AG RECORDS-2, LS COMEBACK, LS File

Memo for Record ; 5 July 49: Cited radio requested 1. Information re A. Breakdown of war criminal suspects' estates still held in custody pending court decision; B. Clarification of statement "war criminal suspects still being apprehended" in light of SCAP rad Feb 49 (C-67579); C. DA assumption re disposition of property of persons not tried or acquitted; 2. Probable amendment of FEC 007/3/4 in view of SCAP's recommended policy re completion war crimes investigation and trials. This radio to furnish info requested. Concurrence received from CPC with addition of last sentence. Approved by Deputy CofS (APF) 2 Jul 49. JH Meiji 362.

~~CONFIDENTIAL~~
PRIORITY

Restricted

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/EX WFM/TC/mh

4 July 1949

FROM: SCAP

TO : DEPT OF ARMY . . . . . PRIORITY

C - 51198 Reurad W 90648, subject is FEC Soviet Representative statements on labor policy in Japan. This radio in three parts.

Part A. The revisions of Japanese labor laws enacted in the last Diet Session cannot be construed other than as direct implementation of FEC 045/5 which was issued subsequent to the enactment of the original laws and as a strengthening of the democratic character of Japanese trade unions, with special emphasis on the practical workability of administrative procedures so as to preclude a breakdown which would prevent peaceful settlement of labor disputes. In many instances labor's interests have been further clarified and the rights of individual workers safeguarded. Specific comments on points raised by Soviet Representative correspond to numbered paras his statement.

1. Para A-1. New procedure for designation of emergency public welfare industries is not an additional provision but replaces old procedure which was unworkable in practice. The authority of the Prime Minister to designate such industries is strictly limited to those "the stoppage of which will seriously affect the national economy or seriously endanger the daily life of the general public" and may be exercised only with approval of the national Diet. Even after such designation, work stoppages are forbidden only for a thirty-day period after a request for mediation to the Labor Relations Committee.

2. Para A-2. Statement of the Soviet Representative is completely misleading. The elimination of the blanket exemption in the Labor Relations Adjustment Law simply removes special protection from illegal or violent strike actions. Art. 7 of the revised Trade Union Law now states "the employer shall be disallowed....to discharge or give discriminatory treatment to a worker ... for his having performed proper acts of a trade union." It is clearly understood in Japanese law that a legal strike is contained within the category of "proper acts of a trade union."

3. Para A-3 apparently refers to Art. 37 of the Revised Labor Relations Adjustment Law which provides that in the event that the 30-day "cooling-off" period in a public welfare industry has resulted in an agreement, any conflict on interpretation or in further negotiation shall be treated as a new dispute with an additional 30-day "cooling off" period required prior to acts of dispute. This provision is aimed at preventing continuous dispute tactics which have been utlized by minority elements in the past to keep industrial relations in a constant state of turmoil and should assist the achievement and maintenance of stable labor-management agreements. This provision may be invoked only by prior mutual agreement of both parties.

Restricted

Restricted

From: SCAP to DA, ESS/EX WFM/TC/mh

4. Para A-4. There is no provision in the Labor Relations Adjustment Law for penalizing individual workers 100,000 yen. Such penalty, which is provided in Art. 39, applies only to employers, labor or employer organizations, and outsiders who violate the 30-day "cooling-off" required in public welfare industries. It cannot be contended that this fine is onerous when applicable to a labor organization as a whole.

5. Para A last subpara. The distorted view that the maintenance of the welfare of the people under emergency conditions is not an objective of the Occupation can be held only by those who are antagonistic to the entire concept of a stable democratic government in Japan. The rejection of such a concept and the deprivation of any government of its normal police power to take effective action against strikes which would lead to a breakdown in the daily life of the community would constitute an open invitation to violent and conspiratorial revolution by minority groups which cannot be tolerated by free men.

6. Para B-1. Functions of the Labor Relations Committee are two-fold: peaceful settlement of disputes and enforcement of the protective provisions of the Trade Union and Labor Relations Adjustment Laws. In the former function, the tripartite character of the committee has been fully maintained and labor's interests are completely safeguarded. In the latter function, its quasi-judicial and operational nature have required a governmental rather than the tri-partisan approach. In both functions, the Committees are operationally independent and cannot be overruled by the Labor Ministry. Further, the central committee can overrule local committees only on judicial questions, a provision which is indispensable if uniform interpretation of labor law is to be fostered and legal chaos avoided.

7. Para B-1 cont'd. The statement that these committees have the "right to interfere directly and control all activities of trade unions and, besides that, to determine the question of 'constitutionality' of trade unions" is utter misrepresentation. The Committees merely have the function of inspecting the written constitution of each union to assure that the requirements of FEC 045/5 ensuring democratic internal practices are contained therein, namely provision for election of officers and standing committeemen by direct secret elections, annual general meetings, open financial reports, protection of individual members against discrimination within the union, secret ballot for strike votes and majority vote for revision of the union constitution. In these matters the Committees do not go beyond the union constitution, the enforcement of which is left to the members themselves with court action on the members' initiative only where their constitutional rights have been violated. The only other function of the Committees is to investigate compliance with the requirement that the union is not dominated by the employer.

8. Para B-2. The "workers" prohibited from joining trade unions by the revision noted are supervisory employees. Such exclusion is necessary to prevent employer domination of the workers' organizations. The citation of the penal provision in the Trade Union Law is completely inaccurate. None of the penal provisions in this law, whether fine or imprisonment, apply to workers or unions, but apply to government officials who violate official secrets, persons who interfere with Labor Relations Committee proceedings and employers who violate fair practice provisions of the law. Method of enforcement for unions violating the law is through their disqualification for assistance or protection through procedures established by the law.

Restricted

Part B. 1. Both the Tokyo and Hiroshima incidents, featuring Communist-led mob violence in order to intimidate constituted authority into abandoning its legal responsibilities, are typical examples of what may be expected in the coordinated Communist attempts to destroy the economic stabilization effort in Japan. The long-familiar pattern of deliberate provocation of police action with attendant victimization of innocent workers as dupes has been witnessed in every country in which the Communist conspiracy has been attempted.

2. Full permission was granted to leftist elements to conduct a peaceful demonstration outside the Tokyo Municipal Assembly building on 30 May 1949 to protest minor revision of a municipal ordinance to require 72 instead of 48 hours notice prior to a public demonstration. Demonstrators refused to disperse upon termination of the permitted time, entered the building and attempted by continuous mob pressure to intimidate the Assembly into adjournment. Forcible police action to clear the building was not taken until six hours after the termination of demonstration permit and five hours of continued disruption of Assembly proceedings. The demonstration on the following day was similar in that no forcible police action was taken until 1-1/2 hours after the expiration of the demonstration permit. Actual circumstances of Hashimoto death on 30 May are not known for certainty except that physical cause was ruptured liver. Press here first carried story by Kyodo reporter, who has since admitted it was pure fabrication, to the effect that Hashimoto had been thrown from third story window by police. Autopsy fails to bear this out and circumstantial evidence precludes this possibility. It has been established subsequently that neither police nor demonstrators were on the third floor at the time and that Hashimoto was apparently trampled to death, probably by the mob. The press has since made these facts plain. Vicious allegation of police "murder" without any supporting evidence whatever is typical of irresponsible charges with which local Communist elements seek to create social disorder in a peaceful nation. Demonstration tactics on both 30 and 31 May such as use of lock-step, precision squad movements, regularly spaced banners, and other similar typical actions evidence careful organization which cannot allow of presumptions of popular spontaneity but rather clearly indicate the purposeful attempt to provoke violence on the part of the Communist organizers of the movements.

3. At the Hiroshima plant of the Japan Steel Co., peaceful collective bargaining over the discharge of surplus workers which had been proceeding for several weeks, was disrupted when on the morning of 12 June 1949 two truckloads of persons not connected in any way with the plant or the union suddenly stormed the gates, overpowered the guards and having forced entry, physically attacked members of the managerial staff injuring one person seriously. The plant was in reparations custody but the requirement for special entry permit was ignored. Invaders then joined some 2,000 workers in seizure of the premises. Police action to enforce the law and clear the premises was not taken until 48 hours later on 14 June, during which time every effort was made to persuade the trespassers to leave peaceably but without success. Collateral demonstrations against the management and police action which were held in the city on succeeding days were peaceful. City demonstrators numbering 8,000, which was 6,000 more than the total number of plant workers, were quickly mobilized by the membership of Communist unions and other Communist

organizations in the vicinity. The Soviet Representative's statement on this incident is replete with key omissions and distortions including neglecting to mention forcible seizure of the plant, use of outsiders, destructive actions of mob elements 48 hours prior to police measures referred to and serious injuries inflicted on management personnel.

Part C. 1. In neither the Tokyo nor Hiroshima incidents were any labor laws involved and in the Tokyo case no trade union issues of any kind were at stake. The deliberate association of these incidents with the labor laws by the Soviet Representative is entirely misleading.

2. These and other recent incidents of the same nature have been characterized by certain features of disturbing implications. Seizing upon every pretext for a real or fancied complaint, demonstrations have been organized with the sole apparent purpose of exerting mass pressure to intimidate government authorities and others into doing the bidding of the demonstrators, whether legal or otherwise. The participants in these affairs have been openly provocative in their acts and attitudes, obviously seeking to goad the authorities into acts of force which could then be denounced as "repressive measures, police brutality, etc." It is to be noted that in these incidents the authorities have acted with great consideration and restraint; that the police have been used only when necessary to clear public buildings so that governmental functions could go on, to protect property and to maintain order. Arrests have been made only where demonstrators resisted or even attacked policemen.

3. Currently the chief focus of attack is the government administrative retrenchment program, adopted by the last session of the Diet in implementation of the Nine-Point Economic Stablization Program. The immediate objective appears to be to intimidate the government into delaying execution of the program so long that by next September it will run into a budgetary deficit, with resulting political embarrassment.

4. Not content with this campaign of harassment through labor action and mass demonstrations, which at least have the surface appearance of legitimate action, the influence behind this campaign have recently resorted to acts of physical sabotage against the transportation system.

5. The object of this campaign, of course, has nothing to do with either the rights of labor or the advancement of democratic tendencies. On the contrary, it is clear that these acts, tending to create fear, social unrest, confusion and disorder, are intended to undermine the authority of the government, in the hope of creating a condition favorable to the seizure of the political power. In these circumstances, the government's constitutional duty is to maintain law and order, safeguarding the legitimate rights not only of labor but of the entire citizenry.

6. Against this background the Soviet letter of 11 June 1949 to the Supreme Commander, with its insincere use of democratic phrases and cynical espousal of the cause of these conspiratorial and lawless elements, drew the immediate rebuff it merited. The Soviet statement of 23 June 1949 before the FEC is in the same category.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to:
CinC
C/S
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G-3
AG
GOVT
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LEGAL
DIPLOMATIC
JSPOG
ESS (Return)

Approved by Chief of Staff 3 July 1949.

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE

CONFIDENTIAL

Date: 2 July 1949 IS-L

050149

FROM: SCAP

TO : DEPT OF ARMY. . . . . .PRIORITY

C-51200

Reference letter Assistant Secretary of the Army dated 7 Mar 49, subject: Confinement of Convicted War Criminals.

While all convicted war criminals tried and adjudged in Japan are and will continue to be prisoners of Allied Powers, responsibility for carrying out judgments of several International Courts was specifically charged to SCAP pursuant to policy decision of FEC adopted 3 Apr 46. Thus far CG, Eighth Army, has been immediately charged with their custody.

Your letter with inclosure has been given careful consideration and it is believed entirely feasible and proper and within authority of SCAP to transfer custody of these prisoners in due course to Japanese authorities. It is not believed that expert advice of Department of Justice in their handling and care is necessary.

Matter of post-treaty supervision and control is, of course, as you point out, for consideration of treaty conferees.

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

C. R. LIGGIT
Acting Chief
Legal Section

Copies to: AG RECORDS - 2, CinCFE, CofS, G-S, G-1, G-2, G-3, G-4, PM, JA, CIE, DS, PHW, MD, LS COMEBACK, LS File

Memo for Record: 2 Jul 49: DA ltr to CinCFE dtd 7 Mar 49, subj: Confinement of Convicted War Criminals, requests views re: Transfer

PRIORITY

CONFIDENTIAL

Copy for CJS

CRL/ASW/lk

INFORMATION COPY
Plain text of this message as correspondence of the ... has been authenticated in accordance with the War Department ... classification ... of the provisions of paragraphs 16-C, 18-E, 53-A, ... (1) (2) (3) (4), AR 380-5, 6 March 1946

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

CONFIDENTIAL

Date: 2 July 1949 LS-L

FROM: SCAP

050149

TO: DEPT OF ARMY. . . . . .PRIORITY

C-51200

of Jap War Criminals to Jap authorities under US control; accomplishing transfer within a year; securing expert advice from Justice Dept for care of prisoners; and control of confinement after withdrawal of US Forces or on signing peace treaty. SCAP concluded, after consideration of the problem, that Jap war criminals in Japan be transferred to local authorities under Occupation control; that such transfer be accomplished in due course; on withdrawal of Occupation Forces or on signing of peace treaty, control for continued confinement be provided in negotiations leading thereto; that referral of subject to FEC is unnecessary since SCAP already has present responsibility under FEC policy decision of 3 Apr 46 to carry out judgments of War Crimes Tribunals and that during occupation period Justice Dept advice unnecessary. Concurrences obtained from G-S, G-1,G-2,G-3, G-4, PM, JA, CIE, DS, PHW, and MD. CofS approved subj rad 7-1-49 (EMA). JB VB Meiji 362.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FIN WFM/WKL/EMR/STB/mm

2 July 1949

FROM: SCAP

020721

TO; DEPT OF ARMY.....ROUTINE

C-51178

For SAOAS FE. Reurad W 90656. Subject is Listing of Japanese Dollar Securities on New York Stock Exchanges.

1. Under the Law Relating to the Treatment of Foreign Currency Bonds, enacted March 15, 1943, all Japanese Municipal and corporate foreign currency securities were converted to central government obligations with substantially the same terms and conditions except that any underlying mortgages on corporate property securing the corporate obligations were released. As a consequence of this conversion, the corporate and municipal bond issuers became indebted to the central government. This indebtedness has been in part liquidated by yen payments from the issuers to the central government. The actions taken under this law have not been voided.

2. Present position here is that foreign exchange is not available to the Japanese Government to pay either the interest or principal of these obligations and the question of when foreign exchange will be available to service these obligations is indeterminate under present circumstances.

3. SCAPIN 45 was not intended and is not effective to void transfers of these securities between parties neither of whom are subject to Japanese jurisdiction.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to:
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3 JUL 1949

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GENERAL HEADQUARTERS
FAR EAST COMMAND

OUTGOING MESSAGE — GA/MISC WAB CMG/vb

UNCLASSIFIED — 30 June 1949

300911

FROM: CINCFE

TO:

CG EIGHTH ARMY . . . . . ROUTINE

CG USAFIK . . . . . ROUTINE

CG PHILCOM . . . . . ROUTINE

CG MARB . . . . . ROUTINE

CG RYCOM . . . . . ROUTINE

COMNAVFE . . . . . ROUTINE (COURIER)

CG FEAF . . . . . ROUTINE (COURIER)

CG HQ & SV GP . . . . . ROUTINE (COURIER)

CG 1503 ATN PD MATS . . . . . ROUTINE (COURIER)

CO 2143 AIR WEA WG . . . . . ROUTINE (COURIER)

CO 1808 AACS WING . . . . . ROUTINE (COURIER)

CG SFPE . . . . . ROUTINE

CG SP-E . . . . . ROUTINE

CG FAIRFIELD SUISUN AAB . . . ROUTINE

15299

CO ASA FAC . . . . . ROUTINE (COURIER)

WHERE CONFLICT EXISTS BETWEEN DA RADIO WILLIAM CHARLIE LOVE THREE EIGHT NINE SIX EIGHT CMA ELEVEN MAY FOUR NINE CMA PASSED BY CINCFE AND CINCFE RADIO [illegible]AM FOUR NINE FOUR TWO FOUR CMA SEVEN MAY FOUR NINE THE PROVISIONS OF DA RADIO WILLIAM CHARLIE LOVE THREE EIGHT NINE SIX EIGHT WILL GOVERN

UNCLASSIFIED

INFORMATION COPY

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 3(D) OR (E) NNDG # [illegible]

67216

FROM: CINCFE TO: EIGHTH ARMY, USAFIK, PHILCOM, MARBO, RYCOM, COMNAVFE, FEAF, HQ & SV GP, 1503 ATW FD MATS, 2148 AIR [illegible] WG, [illegible] AACS WING, SEPE, SEPE, FAIRFIELD SUISUN AAB ASA PAC, GA/MISC WAB CTM/vb

OFFICIAL:

APPROVED BY:

R. M. LEVY
Colonel, AGD
Adjutant General

for W. A. BEIDERLINDEN
Brigadier General, GSC
Asst Chief of Staff, G-1

Copies to: All SCAP and FEC Staff Sections

M/R: CINCFE Rad 7X 49424 prescribes the uniform for wear in the Tokyo area and authorizes the garrison caps after 1 July 49. DA Rad WCL 33968 extends the wear out period for certain items of the uniform and also prescribes the garrison cap will be worn only during periods of field exercise and maneuvers after 1 July.

(Maj Grimshaw 26-5933)

UNCLASSIFIED

RECEIVED 1 JUL 1949

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 3(D) OR (E) NNDG #

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FTC WFM/RWH/AJG/HAS/sb

30 June 1949

FROM: SCAP

300507

TO: DEPT OF ARMY.....PRIORITY

C-51115 For FAOA SAOAS FE. Reurmsgs W 89949, June 49, W 90341, June 49, W 88353, May 49 and ourmsg C 69861, May 49. Potash procurement is subject.

Part 1. Same supplier reference ourmsg C 69861 has revised Potash offer to following: Item-Sulphate of Potash; Quality-Minimum guaranteed K_2O content 48%; Quantity-5760 metric tons K_2O contained (maximum 12,000 metric tons Sulphate of Potash); Packing-Single jute bags containing 100 kilograms net each; Delivery-completed before September 49; Price-$134 metric ton K_2O contained CIF Yokohama or Kobe plus $7.68 per metric ton for bagging 12,000 metric tons Sulphate of Potash. Item-Muritate of Potash; Quality-Minimum guaranteed K_2O content 58%; Quantity-6960 metric ton K_2O contained (12,000 metric tons Muriate of Potash maximum); Packing-Bulk; Delivery-completed before December 49; Price-$128 per metric ton K_2O contained CIF Yokohama or Kobe. Sulphate of Potash produced by this company is finely divided and non Hygroscopic and usual shipping practice is to bag product in single jute bags each containing 100 kilograms net. If sulphate shipped in bulk excess losses will be sustained therefore recommend that bagging charge be allowed.

Part 2. 1. The French are offering this potash in payment for the construction of the ship mentioned urmsg W 90241, June 1949. However, contract terms prohibit ship construction except for dollar payment. These terms would be satisfied if the potash is procured with GARIOA funds and these funds are then applied by the French toward payment for the ship. The cost of the ship is approximately $1,700,000.

2. The French have met the prices mentioned urmsgs W 88353 and W 89949 plus the bagging charge for sulphate. Request approval and assurance that $1,754,880. FY 50 funds will be transferred to Fiscal Director, FEC, soonest when available to cover procurement of the potash on F.O.B. Japan basis.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

W.F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

authorized transmission of literal plain text of this message as correspondence
has been classification
the War Department
the provisions of 18-E, 53-A, 35-D (1) (2) G (4), AR [illegible] March 1946

Copies to:

C/C, C/S, G-4, AG, GOVT, LEGAL, DIPLOMATIC, NRS, GARIOA, FISCAL, GEN PROC, ESS (Return) Mr. Schettler 26-8325

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/EX WFM/PAM/eib

Confidential 30 June 1949

FROM: SCAP

TO. DEPT OF ARMY..... PRIORITY W

300501

WILLIAM
O-51112 FOR SAOAS FE PD REURMSG / NINE ZERO FIVE NINE
3 1 9 4 9
THREE JUNE ONE NINE FOUR NINE PD TRADE MARK POLICY IS SUBJECT PD PARA
1 5 3 5
ONE PD ACTION TO AMEND SCAPIN ONE FIVE THREE FIVE WILL BE DEFERRED
2
PD PARA TWO PD EARLIEST CONCURRENCE IN RECOMMENDATION MADE OURMSG
CHARLIE 5 8 4 7 / 9 4 9 4
/ FIVE ZERO EIGHT FOUR SEVEN JUNE ONE NINE FOUR NINE PARAGRAPH FOUR

WILL FACILITATE JAPANESE EXPORTS

OFFICIAL:

R. A. LEVY
Colonel, AGD
Adjutant General

APPROVED:

E. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to:

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C/S
G-1
G-4
AG
GS
LS
CPC
ESS (Return)

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DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(F) OR (E) NNDG # _____

V

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
APO 500

74979

OUTGOING MESSAGE GA/CFAD JFY/md

24 June 1949

Restricted

241055

FROM: SCAP

TO: DEPT OF ARMY . . . . . PRIORITY

C-51006 FOR CSCAD RO PD SUBJECT IS NATIONAL LEADERS PD THIS MESSAGE IN FOUR PARTS PD PART ONE CLN REUR ITEMS DA TWO ONE AND DA TWO SEVEN TELECON ONE THREE TWO ONE ZERO ZERO ZEBRA CMA ONE FOUR JUN FOUR NINE AND DA FIVE TELECON ONE SEVEN TWO ONE THREE ZERO ZEBRA CMA ONE EIGHT JUNE FOUR NINE BETWEEN CSCAD RO AND CIVIL INFORMATION AND EDUCATION SECTION PD FOLLOWING IS AUTHORIZATION FOR TRANSFER OF DOLLARS SEVEN FIVE THREE FOUR ZERO FROM DOLLARS ONE HUNDRED THOUSAND MADE AVAILABLE FROM FISCAL YEAR FOUR NINE FUNDS FOR NATIONAL LEADER PROGRAM TO THE FOLLOWING LISTED SPONSORING GOVERNMENTAL AGENCIES IN THE AMOUNTS STIPULATED CMA COVERING PARTICIPATION OF FIVE FIVE JAPANESE NATIONAL LEADERS IN CULTURAL EXCHANGE PROGRAM CLN FEDERAL SECURITY AGENCY PAREN MISCELLANEOUS PAREN DOLLARS THREE ONE TWO TWO SMCLN FEDERAL SECURITY AGENCY PAREN UNITED STATES OFFICE EDUCATION PAREN DOLLARS SEVEN EIGHT ZERO FIVE SMCLN DEPT INTERIOR CMA NATIONAL PARK DOLLARS SIX TWO FOUR FOUR SMCLN FEDERAL SECURITY AGENCY PAREN UNITED STATES PUBLIC HEALTH PAREN DOLLARS THREE ONE TWO TWO SMCLN DEPT AGRICULTURE DOLLARS THREE ONE TWO TWO SMCLN DEPT ARMY PAREN ONE FIVE CAD TOTAL CMA IN GROUPS OF FIVE OR LESS PAREN DOLLARS ONE TWO NINE ZERO ZERO SMCLN DEPT ARMY PAREN FIVE CORPS OF TRANSPORTATION AND THREE SIGNAL PAREN DOLLARS ONE TWO FOUR EIGHT EIGHT SMCLN POST OFFICE DEPT DOLLARS THREE ONE TWO TWO SMCLN DEPT STATE

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 3(D) OR (E) NNDG # _____

Restricted

74970

FROM: SCAP, TO: DEPT OF ARMY, GA/CFAD JFX/rd 24 June 1949

DOLLARS NINE THREE SIX SIX SMCLN DEPT LABOR DOLLARS ONE FIVE SIX ONE SMCLN BUREAU BUDGET DOLLARS ONE FIVE SIX ONE SMCLN DEPT COMMERCE DOLLARS THREE ONE TWO TWO SMCLN UNITED STATES SUPREME COURT DOLLARS FOUR SIX EIGHT THREE AND DEPT JUSTICE DOLLARS THREE ONE TWO TWO SMCLN TOTAL DOLLARS SEVEN FIVE THREE FOUR ZERO PD/PART TWO CLN THE SUMS STIPULATED IN PART ONE FOR EACH AGENCY ARE BASED ON TOTAL NUMBER OF NATIONAL LEADERS TO BE SPONSORED BY EACH AGENCY PD THESE NATIONAL LEADERS CMA HOWEVER CMA WILL ONLY BE SENT TO ANY ONE SPONSORING AGENCY IN GROUPS OF FIVE OR LESS AT A TIME PD PART THREE CLN DOLLARS SEVEN FIVE THREE FOUR ZERO AUTHORIZED FOR TRANSFER TO SPONSORING AGENCIES IN PART ONE ABOVE CONTEMPLATES EXPENDITURE IN ZEBRA ITEM FOR FOUR ZERO NATIONAL LEADERS ON NINE ZERO DAY TOUR OF DOLLARS ONE FIVE SIX ONE EACH COMPRISING APPROXIMATELY FOLLOWING AMOUNTS CLN SALARY DOLLARS ONE TWO SIX ZERO SMCLN INLAND TRAVEL DOLLARS THREE FIVE ZERO SMCLN ADMINISTRATIVE OVERHEAD PAREN ONE ZERO PERCENT PAREN DOLLARS ONE SIX ONE PD ESTIMATED EXPENSES EACH ONE FIVE DIET MEN PROCEEDING ZEBRA ITEM PAREN IN GROUPS OF FIVE OR LESS PAREN ON ROUNDTRIP TOUR FOUR TWO DAYS WILL APPROXIMATE AS FOLLOWS CLN EXPENSE PAYMENT ZEBRA ITEM DOLLARS FOUR SIX TWO SMCLN INLAND TRAVEL DOLLARS THREE ZERO ZERO SMCLN ADMINISTRATIVE COSTS PAREN ONE ZERO PERCENT PAREN DOLLARS NINE EIGHT SMCLN TOTAL DOLLARS EIGHT SIX ZERO PD EACH OF FIVE FIVE NATIONAL LEADERS WILL BE PAID DOLLARS TWO ONE ZERO PRIOR DEPARTURE TO COVER INITIAL AND INCIDENTAL EXPENSES EN ROUTE PD THIS AMOUNT IS IN ADDITION TO ZEBRA ITEM PAYMENTS OUTLINED ABOVE AND BREAKDOWN FOLLOWS CLN HEAD TAX DOLLARS EIGHT SMCLN VISA DOLLARS ONE ZERO SMCLN INSURANCE DOLLARS ONE ZERO SMCLN SHIPBOARD MEALS DOLLARS THREE TWO SMCLN MISCELLANEOUS EXPENSE DOLLARS ONE FIVE ZERO SMCLN TOTAL DOLLARS TWO ONE ZERO PD REQUEST

Restricted

Restricted 74970

FROM: SCAP, TO: DEPT OF ARMY, GA/CFAD JFY/md 24 June 1949

DOLLARS TWO FOUR SIX SIX ZERO BE ALLOCATED BY RADIO SOONEST TO COVER ADVANCE TRAVEL AND TRANSPORTATION COSTS THIS END PD PART FOUR CLN REOURMSG ZEBRA ONE FOUR ONE FIVE FIVE DATED TWO ZERO JUN FOUR NINE PD DOLLARS THREE FIVE ZERO ZERO ZERO REQUESTED IN REFERENCED RADIO IS INCLUDED IN ABOVE REQUESTED ALLOTMENTS

OFFICIAL:

R.M. LEVY
Colonel, AGD
Adjutant General

APPROVED BY:

for W.A. BEIDERLINDEN
Brigadier General, GSC
Asst Chief of Staff, G-1

Copies to:
CinC
C/S
D-C/S
GARIOA
FISCAL
GPA
AG
CI&E

M/R: 1. In referenced telecon items, DA made available to CINCFE an additional amount of $100,000 for GARIOA FY 49 funds for sending national leaders from Japan to the US for orientation and study under Cultural Exchange Program. DA stipulated, however, that in order to obligate the funds for the FY 50, it would be necessary that the number of national leaders and the governmental sponsoring agencies for each be radioed to the Dept soonest so that steps could be taken to transfer required funds prior to 30 Jun 49 to each government agency concerned which would act as sponsor and operate the necessary training program.

2. In coordination with G-1 and the various staff sections concerned, SCAP-CIE Section is advising the DA, CSCAD, that 55 Japanese leaders have been nominated to go abroad under the cultural Exchange Program, also the names of the sponsoring agencies and the amounts of money which should be transferred to each in order to cover necessary expenses.

3. In telecon referenced in part 1 of subject message, DA advised that a proportion of $100,000 should be retained here for the purpose of making advance payments to the national leaders to cover initial and incidental expenses en route to the ZI. It is estimated that the amount required will be $24,660 for which an itemized breakdown is given in order to advise the DA, CSCAD, as to the types of payments to be covered by this allocation.

4. Concurrences: CIE (Lt Col Nugent).

5. Inst action approved by C/S 24 Jun 49, ref is Memo to C/S 24 Jun, subj, "National Leaders Program".

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GENERAL HEADQUARTERS
FAR EAST COMMAND

OUTGOING MESSAGE — RMG JW/WEP/EMC/ms

RESTRICTED — 24 June 1949

GOVT

240851

FROM: CINCFE

TO: DA.....ROUTINE

INFO: MIL GOVERNOR RYUKYU ISLANDS.....DEFERRED

for Ryukyus GX50979 for GARIOA. Reurmsg W 89709, 8 June. Subj is fertilizer

Suggestions made in re future handling of fertilizers procured under GARIOA for the Ryukyus are under study. Request clarification of part 1 c of reference radio which appears to be in conflict with last sentence para 2 of DAMSC W 84901, 18 Feb 49.

OFFICIAL: — APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

JOHN WECKERLING
Brigadier General, GSC
Chief, Ryukyus M. G. Section

Copies to: G-4, TRANS, GOVT, PHAW, MRS, GEN PROC, MRS, GARIOA

Memo for Record:

1. DAMSC 89709 to CINCFE with info to CG RYCOM suggested:

a. All fertilizer procured under GARIOA be shipped to Japan

b. Ryukyuan fertilizer requirements be transshipped to Ryukyus as required.

c. Costs incurred for bagging, handling, and shipping to be paid in local currency or counterpart funds.

2. CG RYCOM msg R 14451, 13 June forwarded the following comments:

FROM:CINCFE TO:DA INFO:MIL GOVERNOR RYUKYU ISLANDS RHC/ms 24 June 1949

Memo for Record (cont):

a. Port handling facilities for bulk cargo in Ryukyus are inadequate.

b. Storage is being arranged.

c. Okinawa will bag cargo in holds of ship if bags accompany shipment,

and recommended that fertilizer be shipped as programmed with bags stored on bulk shipments.

3. At a conference on 15 June with Mr. Cleland, RMG, Mr. Schettler, ESS/FT, expressed himself as being in favor of the suggestions made in W 89709, paras 1a and 1b. He would like payment in dollars. He pointed out that Mr. Ritchie, NRS, is on record as being opposed to permitting fertilizers intended for the Ryukyus to be brought into Japan and lose their identity with equivalent chemical contents of fertilizers being shown as Japanese exports to the Ryukyus.

4. Mr. Ritchie, NRS, in conference with Mr. Cleland, expressed the opinion that the technical use of fertilizers in the Ryukyus would be improved by having the ingredients brought into Japan mixed and shipped to the Ryukyus according to proper phasing. At the same time he pointed out that such handling of Ryukyuan fertilizers would put the economy of the islands in a position of dependence upon Japan which was not warranted by Japanese physical production of goods used by the Ryukyuans.

5. Col. W. H. Chase, Supply Officer, HQ RYCOM, told Mr. Cleland, RMG, that he had not been consulted with regard to the recommendation in CG RYCOM msg R 14451 that fertilizers will be shipped as programmed with bags stored on bulk shipments. He said that the port was not properly equipped to handle bulk shipments and that with bags top stowed he could not guarantee discharge at a rate higher than 300 tons daily. Upon being asked what equipment would be necessary to make the receipt of bulk shipments by the Ryukyus feasible he answered that a flume or flumes of either blower or screw type would be required.

6. Inst msg gives interim answer to W 89709 and requests clarification of part 1c which seems to conflict with basic directive quoted in W 84201, Feb 18, 1949.

H. M. CLELAND
Chief, Economics Division
Ryukyus M. G. Section

RESTRICTED

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE CCS IR/EMD/bl

21 June 1948

230413

GOVT SECTION

FROM: SCAP

TO: DEPT OF ARMY . . . . . ROUTINE

C-50952

Reurad 091605 Z. SCAP Radio C-50736 refers.
Following is reply by paragraphs.
PARA A. Concur.
PARA B. Establishment direct radiotelegraph circuit between Japan and Germany not comparable with Japan-Switzerland circuit which was established 1937 and which was not interrupted during or after war. Traffic from Japan over the direct circuit with Switzerland is presently restricted to messages terminal to Switzerland or its possessions only. Incoming messages to Japan are unrestricted from areas served via Radio Suisse in order to assure balance in favor of Japan.
PARA C. Consider proposed arrangement impossible under present conditions because of currency restrictions between Japan and adjoining areas. At present transit messages via Japan are not authorized due to such restrictions.
PARA D. Extremely doubtful such arrangements would yield appreciable volume of traffic since five routes already available for traffic between Europe and Japan in addition to routings via United States.
PARA E. Prewar rate between Japan and Germany was gold francs 3.45. This rate was reduced in 1943 to gold francs 2.00.
PARA F. Establishment direct circuit on basis gold francs 2.00 per full rate word may lead to equalization to that level of rates from other European countries thus resulting in diminished accrual to Japan. For this reason it is desirable establish rate between Japan and Germany at same level as between Japan and other European countries.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

GEORGE I. BACK
Brigadier General, Signal Corps
Chief, Civil Communications Section

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Radio from SCAP to DA, Routine

RESTRICTED

RFR:

1. Message 091605-2 to which this radio is in reply was considered during the preparation of our C-50725 of 13 June 49 to DA. Our C-50725 stated that we do not consider establishment of direct radiotelegraph circuit between Japan and Germany to be practical at this time and stated reasons. Copy of C-50725 is attached hereto for information.

2. This message is to reply to the particular points raised in Paras A through F of 091605.

Dotsom/25-0426/hl

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NNDS # 210527

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

CONFIDENTIAL

CABLEGRAM

READING COPY

20 June 1949 LS-L

210527

FROM: SCAP

TO : JCofS. . . . . PRIORITY

C-50913

Subject is Exercise of Criminal Jurisdiction in Japan. Reference urad WCL 38511, 28 Aug 46.

1. It is requested that steps be taken to amend the directive contained in reference radio so that the Japanese could be authorized to exercise concurrent criminal jurisdiction with Occupation Courts over personnel described in paragraph 1-b and 1-c of WCL 38511. However, the extent of the exercise of criminal jurisdiction over such United Nations Nationals should be determined by SCAP, who will continue to retain authority to take such steps as are considered necessary, including suspension of proceedings to insure that in the exercise of such criminal jurisdiction, the rights of accused United Nations Nationals are adequately protected.

2. It is believed that the time is appropriate to return to the Japanese Government limited criminal jurisdiction over certain United Nations Nationals. Japanese laws now provide basic safeguards for the protection of civil liberties and for the prevention of abuses and discriminatory action in criminal judicial processes. Eventually, Japan will be permitted to exercise full and complete criminal jurisdiction over all persons within its territory. It is felt that by permitting the Japanese to exercise such limited concurrent criminal

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CRL/SRLk

Name and plain text of this message as corresponds to the same classification has been authorized by the War Depar in accordance with the provisions of paragraphs 16-C, 18-E, 53-A (3), and 60-A (1) (2) 53-A (1) AG 383.6-5, 6 March 1946

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # _____

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE

CONFIDENTIAL

READING COPY

20 Jun 49 IS-L

FROM: SCAP

TO : JCofS. . . . . PRIORITY

jurisdiction over United Nations Nationals at this time, the Occupation will be able to observe and correct, if necessary, any discriminatory and abusive practices.

3. If paragraph 1 of WCL 38511 is amended as requested above, paragraph 2 thereof should be modified to permit the Japanese to take into custody those United Nations Nationals over whom they may exercise criminal jurisdiction, subject to the control of Occupation authorities.

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

C. R. LIGGIT
Acting Chief
Legal Section, GHQ, SCAP

Copies to: CinC, CofS, JA, DS, GS, ESS, G-1, G-2, AG Records-2, LS File, LS Comeback

Memo for Record - 20 Jun 49: Present FEC decision on the subject is contained in cited radio, para 1 of which directs that the Japanese will exercise no criminal jurisdiction of any sort with respect to UN Nationals. As the Japanese laws now provide basic safeguards for the protection of civil liberties and for the prevention of abuses and discriminatory action in criminal judicial processes, the time is believed appropriate to give the Japanese Govt the right to exercise concurrent criminal jurisdiction with the Occupation Courts over Nationals of one of the Occupying Powers and other non-occupation UN Nationals. It is felt that by permitting the Japanese to exercise such concurrent criminal jurisdiction at this time, the Occupation authorities will be able to observe and correct, if necessary, any discriminatory or abusive practices. This action is in keeping with the present occupation policy to return to the Japanese Govt as much responsibility and authority as is consistent with the objectives of the Occupation. Subject radio requests JCofS action to amend FEC decision to permit return of criminal jurisdiction to Japanese in cases involving non-occupation UN Nationals subject to SCAP control. Concurrences received from: JA,DS,GS,ESS,G-1,G-2. Approved by CofS 6-19-49 EMA. JB _____ Meiji 362.

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DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) NNDS #

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FX AFF/WTR/rk

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18 June 1949

FROM: SCAP

TO: DEPT OF ARMY.....PRIORITY

180309

C-50847 For OAS FE, reurmsg W 89781.

1. SCAPIN 1535 dated 20 February 1947 requires Japanese Government to ensure that articles prepared for export are marked, stamped, branded or labeled in legible English with the words "Made in Occupied Japan".

2. During past year numerous requests received from buyers to exempt goods from marking provisions in cases where goods were destined for a country whose domestic legislation does not require indication of country of origin.

3. It would appear reasonable to permit exemptions from marking on exports for which the buyer will certify that goods are destined for countries not requiring such markings and that buyer does not desire such marking.

4. It is therefore recommended that provisions cited urmsg be amended to read "Steps should also be taken to assure that whenever it is practicable to do so goods which are produced in Japan and exported are clearly marked to show their Japanese origin, except in such cases where foreign buyers certify that goods are destined for countries not requiring such markings and further certify that exemption from marking is desired".

5. It is desired here to effect amendment of SCAPIN 1535 in consonance with principles stated in para 4 above. Unless contrary advice is received prior to 30 June proposed revision will be accomplished here.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

W. F. MARQUAT
Major General, U. S. Army
Chief, ESS

Copies to:
CinC AG
C/S GOVT
G-1 LS
G-4 CPC
ESS(return)

Approved by C/S 17 Jun 49

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V

SECRET

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE NR-Fi HGS/WCH/OLAJr/FW/jw
16 June 1949

Secret

L60823

FROM: SCAP

TO: DEPT OF ARMY.....ROUTINE

INFO: DEPT OF STATE.....ROUTINE
DEPT OF INTERIOR.....ROUTINE

Reurmsg W 85408 dtg 102309 Z Mar 49, paragraph 4. Request approval to send all 21 fur seal pelts and skulls collected to the Dept of Interior for essential comparisons with Pribilof Island fur seals. Value of comparisons would be greatly reduced if only one-half (10 seals) were sent to the United States for examination. Division according to urmsg W 85408 would be made after necessary studies have been made in the United States

GS

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

HUBERT G. SCHENCK
Lt Col CE
Chief, Natural Resources Section

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AG
NR Return (3)

handling and transmission of literal plain text of this message as correspondence of the same classification has been authorized by the War Department in accordance with the provisions of paragraphs 16-C, 18-E, 53-B, 53-D (1) (2) (3) and 60-A (1) (2) (3) (4), AR 380-5, 6 March 1946

INFORMATION COPY

Secret

SECRET

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(D) OR (E) N.N.D.G # _____

Secret

FROM: SCAP, TO DEPT OF STATE, INFO: DEPT OF STATE

DEPT OF INTERIOR NR-Fi HGS/WCH/OLAJr/FW/jw

16 June 1949

NOTE FOR RECORD:

1. References:

a. Paragraph 4, DA message W 85408 Mar 49 states "All pelts and skulls must be preserved for scientific purposes only. At termination investigation offer 1/4 to USSR. Retain up to 1/4 for Japan's rqmts. Ship remainder to Fish and Wildlife Sv for US and Canada".

b. DA message W 85571 Mar 49 authorized SCAP to take up to 200 fur seals for scientific purposes.

c. DA radio W 85839 Mar 49 cancelled fur seal expedition.

d. SCAP radio C 69275 Apr informs DA 21 seals taken between 15-24 Mar.

2. Because of the limited seal specimens available for study it is essential that all of them be used for comparison with Pribilof specimens in the US before they are divided among the interested nations. Larlier division would greatly reduce value of investigation.

3. Above message requests DA approval to ship 21 specimens to the US.

4. Concurrence: DS (Mr Cabot Coville)

5. This radio message approved by the Deputy Chief of Staff, 15 Jun 49.

RECEIVED 17 JUN 1949

F. W. [illegible] 26-7356

Secret

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FTC WFM/HWH/HJZ/JKF/mfm

10 June 1949

FROM: SCAP

TO: DEPT OF ARMY.....ROUTINE

00753

C-50647

For FAOA. Reurmsg W 87191 April 49 and ourmsgs C 64713 October 48 and C 69388 April 49. Subject is seeds. Unable to procure in this area requirements stated in C 64713. Appreciate you procure earliest in order to utilize available GARIOA FY 49 Project 122 funds before 30 June 49.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

W. F. MARQUAT,
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to: CC, C/S, G-4, AG, FISCAL, GOVT, RYUKYUS MG, GEN PROC, NRS, DS, GARIOA, ESS (Return)

MEMORANDUM FOR RECORD: 10 June 1949

1. Ref C 64713 dtd 22 Oct 48 lists revised see requirements for FY 1949 and indicates anticipated Far Eastern procurement.

2. Ref W 87191 dtd 15 Apr 49 requests status procurement seeds as listed in C 64713 (see 1 above).

3. Ref C 69388 dtd 20 Apr 49 exolains SCAP's effort to procure seeds (see 1 above) in sterling areas in order to implement trade agreements.

4. Outgoing radio indicates no Far East procurement possible and requests DA to initiate procurement in ZI before end of FY 49 so that funds may be committed.

5. Concurrences: None necessary.

R. W. H.

Mrs. Fink, 26-8595

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

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OUTGOING MESSAGE ESS/EX WFM/DMM/eb

9 June 1949

FROM: SCAP,

C-50613 TO: DEPT OF ARMY.....PRIORITY

FOR CSCAD FE PD REURMSG WILLIAM EIGHT NINE FOUR NINE ONE DATED THREE JUNE ONE NINE FOUR NINE PD PAR PERCEIVE NO OBJECTION TO INTERNATIONAL CHAMBER OF COMMERCE SUGGESTING THAT JAPANESE BUSINESSMEN MAY RECONSTITUTE THEMSELVES AS JAPANESE SECTION OF INTERNATIONAL CHAMBER OF COMMERCE AS INDICATED PAR ONE URMSG

OFFICIAL:

APPROVED:

R. M. LEVY
COLONEL, AGD
Adjutant General

W. F. MARQUAT
Major General U. S. Army
Chief, Economic and Scientific Section

Copies to: CinC; C/S; G-2; AG; GS; WDS; DS; ESS (Return)

Approved by C/S 6/8/49.

DMM/eb
7 June 1949

Memo for Record:

1. Subject radio requests opinion of SCAP on the question of an invitation to the Japanese businessmen to reconstitute themselves as a Japanese section of the International Chamber of Commerce, the initial step to be participation in committee work of the International Chamber of Commerce with full membership postponed until a later date.

2. Telegram from the Dept of Army on 21 May states a policy of Japanese cooperation in international organizations and the importance of Japan assuming international responsibilities in such field as trade promotion.

3. ESS concurs in the above statement and it is believed that such an invitation is in keeping with present policies and will further the objectives of the Occupation in that it will create additional interest and feeling of responsibility of the Japanese businessmen in international trade.

D. M. Maynard 26-8723

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D. M. M.

Restricted

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FIN WMF/AKL/JRJ/WNR/zl

310447

- 31 May 1949 -

310447 8S

FROM: SCAP

TO: DEPT OF ARMY .....PRIORITY

C-50402 For CSCAD ECON. Supplementing ourmsg C69487, subject is utilization of Japanese Banks in international trade operations and participation of foreign banks in domestic banking functions.

1. It is considered highly desirable, in the interests of the Japanese economy as well as both foreign and Japanese banks, to accelerate promptly a resumption of as near normal trade and banking operations as is practicable. The Foreign Exchange Control Board recently established will develop rules and regulations around which these activities will pivot. Action with respect to both types of banks should be simultaneous, and should include procedural changes contemplated in paragraphs 2 and 3 below.

2. Foreign banks' principal problem is the present non-availability of indigenous currency with which to permit them to complete the cycle of foreign trade financing. Therefore it is deemed appropriate to permit foreign banks' reentry into domestic banking functions and be subjected to normal, non-discriminatory Japanese banking regulations in respect thereto.

3. The principal problems of the Japanese banks are two-fold. In the first instance no foreign currency balances are available to the Japanese economy except through the medium of foreign banks under the control of SCAP. Secondly, the Japanese banks have no representation abroad actively engaged in reestablishing correspondent and trade relationships.

a. With respect to the first problem arrangements are now in process for the gradual turnover by the Foreign Exchange Control Board through its banking agency (Bank of Japan) of sufficient foreign currency funds or a call thereon in SCAP accounts here and in the United States to enable the servicing under SCAP supervision by Department of countersignature or audit or both of domestic needs without impairing adequate coverage of SCAP's outstanding commitments or depleting SCAP's borrowing capacity.

handling and transmissions
Main text
arrangement
Foreign Exchange Control Board
Bank of Japan
sufficient foreign cur-
rency
SCAP
Department
(2)
March 1946

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Confidential

FROM: SCAP TO DA, ES /FIN WFM/WKL/JPA/WR/zl

1 JUN 1949

b. The second problem may well eventually be solved if the Bank of Japan is allowed to open their New York office (and when permitted by British Government their London office) as an agency not only of the Foreign Exchange Control Board but as the domiciled representative of the Japanese foreign exchange banks. In the meantime, SCAP Commercial Accounts might be opened with U. S. Correspondents of Japanese foreign exchange banks or in the Federal Reserve Bank of New York or both. In this connection, opinion is requested as to the possibility of attachment proceedings being instituted for the account of pre-war and war-time claims, if the Bank of Japan were permitted to carry balances in its own name accruing abroad as the result of post-war transactions.

4. While it is anticipated that some opposition will be encountered from both foreign and Japanese banks, it is believed that mutual participation in both international and domestic operations under SCAP surveillance for the remainder of the Occupation will have immediately salutary effects upon the Japanese economy on three counts:

a. As media for the introduction of badly needed foreign credits.

b. As a means of strengthening the indigenous banking structure through competition (in all phases of activities) with well-run foreign banks;

c. As the opportunity to evolve, under SCAP surveillance, such mutually acceptable working procedures as would limit if not preclude the possibility that any changes made by the Japanese Government subsequent to the termination of the Occupation would be or could be construed to be retaliatory measures against foreign banks.

5. Following considerations are cogent to re-entry of Foreign Banks into domestic operations.

a. Reorganization and recapitalization of Japanese banks have been completed;

b. The nationalistic feeling of the Japanese and the credit control exercised by Japanese banks over their customers should prevent deposit drain;

c. Foreign banks could not enjoy advantageous competitive position with Japanese banks in extending unsecured credits to Japanese clients;

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FROM: SCAP TO DA, ESS/FIN EFM/WKL/JRA/LNR/zl

d. Limited yen earnings from purely domestic sources should preclude foreign banks from effectively competing with Japanese banks for interest-bearing deposits and inasmuch as the practice in Japan is for practically all deposits to accrue interest, the source of non-interest bearing deposits is almost negligible. It is believed that deposits from Japanese nationals with foreign banks would chiefly be limited to reestablishment of prewar relationships and from those concerns requiring foreign trade banking services abroad which Japanese banks are not now prepared to offer.

6. Plan to institute promptly a program which will achieve workable arrangement mutually acceptable to both types of banks and to the Japanese Government.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to:
C-in-C
C/S
AG
FD
GS
ESS (Return)

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WTR

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/PD WT/TL/JRB/jk

30 May 1949

FROM: SCAP

TO: DEPT OF ARMY. . . . . .ROUTINE Priority

300617

C-50392

For CSGSP/D 8. Reured WX 83391, 9 June 1948.

1. SIE goods priced to Japanese in accordance with reference radio and 360 to 1 exchange rate would be too high-priced in yen to serve incentive purposes. 60 percent of acquisition cost is unrealistic price for goods in average condition received here and in comparison with corresponding Japanese goods.

2. It is proposed to continue present policy of pricing SIE goods in yen in line with comparable Japanese goods, to allow Japanese Government to retain not more than 8 percent of their yen price as handling costs, and to enter a dollar charge against the Japanese Government obtained by dividing the yen price minus 8 percent by 360. This method of dollar pricing would supersede the 60 percent of acquisition cost method.

3. 92 percent of yen proceeds of SIE sales by Japanese Government will be transferred to counterpart fund to be divided into two parts, one to be credited to reimbursement for GARIOA expenditures for transportation and the other part to be used as a basis for computing the dollar charge made by the Army against the Japanese Government for the goods themselves.

4. Same general procedure will be applied in cases of locally generated quartermaster items sold to Japanese Government. No reimbursement of GARIOA funds is required in such cases.

OFFICIAL

APPROVED:

R. K. LEVY
Colonel, AGD
Adjutant General

By direction of the Supreme Commander:

W. F. MARQUAT
Major General, U.S. Army
Chief, Economic and Scientific Section
5 March 1946

Copies to: C in C, C/S, G-4, Engineer, OT, Fiscal, Transp, Govt, PWAM, GARIOA, ESS (Return)

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CROSS REFERENCE

FILE UNDER: OUTGOING"C" RADIOS

DATE: 25 MAY 1949

FROM: SCAP TO: DA

SUBJECT: TORT CLAIMS

DOCUMENT FILED UNDER: CLASSIFICATION
Compensation for Damage Caused by Allied Military Personnel. (TORT)
CABINET # 20 Drawer # 2 -Japan Affairs

SHELF #

Prefecture	Section	Kind of Election	Date of Notification	Date of Election	Number to be elected
Okayama	Tomata Dis. Ono Vill.	Hendman of Village	Jan 19	Feb 9	1
Okayama	Atotsu Dis Chiya Vill	"	Jan 25	Feb.15	1
"	Kibi Dis Yada Vill	"	Feb 5	Feb 25	1
Aichi	Iwa Dis Chiaki Vill	"	Jan 23	Feb 12	1
Niigata	Minami-Kanbara Dis, Nagasawa Village	"	Jan 19	Feb. 8	1
"	Nishi-Kanbara Dis Kurosaki Vill.	"	Jan 24	Feb 13	1
"	Iwafune Dis Honai Vill	"	Jan 21	Feb 10	1
"	Nishi-kanbara Dis Tsukigata Vill.	"	Feb 5	Feb 25	1
"	Nishi-Kubiki Dis Yamatogawa Vill	"	Jan 31	Feb 20	1
Chiba	Sambu Dis Minamoto Vill	"	Jan 20	Feb 9	1
"	Kimitsu Dis Sunami Vill	"	Feb 7	Feb 22	1
"	Hatori Dis Moriyama Vill	"	Jan 28	Feb 17	1
Shizuoka	Shita Dis Wada Vill	"	Jan 20	Feb 19	1
"	Shita Dis Agatsuma Vill	"	Jan 23	Feb 11	1
"	Fuji Dis Fujima Vill	"	Feb 2	Feb 22	1
Saga	Kishima Dis Soto Vill	"	Jan 24	Feb 13	1
Nara	Yoshino Dis Kawaba i Vill	"	Feb 5	Feb 25	1

/CKH/VGH/bk

RESTRICTED

25 MAY 1949
Unnumbered (to Rome)
Unnumbered (to Paris)
Unnumbered (to Geneva)

SCAP
AMEMBASSY, ROME.....ROUTINE

AMEMBASSY, PARIS.....ROUTINE

AMCONSULATE, GENEVA.....ROUTINE

260755

CX50311 1 0 1 9 4 9

REOURTEL ONE ZERO MAY ONE NINE FOUR NINE CMA CHESTER WILLIAM HEPLER CMA SUGAR CHARLIE ABLE PETER REPRESENTATIVE ITEM LOVE CHARLIE CONFERENCE CMA PAREN THIS IS HUSTONS UNNUMBERED TO ROME, CMA PARIS CMA GENEVA PAREN GENEVA CMA ARRIVING ROME APPROXIMATELY MAY THREE ONE CMA BAKER ABLE CHOE CHARLIE SEVEN ZERO FIVE SHOEN PARIS JUNE FOUR CMA AIR FRANCE ONE NINE ONE CMA AND GENEVA JUNE EIGHT CMA TARE WILLIAM ABLE DESIRES EAST CHARLIE ABLE LABOR REPRESENTATIVES BE ADVISED CHANGE OF ARRIVAL DATES

GS (Info)

OFFICIAL:

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

APPROVED:

Handling and transmission of literal plain text of this message as Secret correspondence of the same classification has been authorized by the Department in accordance with the provisions of paragraphs 48 (1) (2) (3), and 60-A (1) (2) (3) (4), AR 380-5, 6 March 1946

for CLOYCE P. HUSTON
Acting Chief
Diplomatic Section

INFO COPIES TO:

C-in-C	GS
C/S	AR
G-1	ESS
G-2	AG Records

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/LAB WFM/CHW/[illegible]/FEMW/rfb

19 May 1949

FROM: SCAP

TO: DEPT OF ARMY.....PRIORITY

C-30159

190913

3

For SAOAS. Reurmsg W 87917 this radio in ~~four~~ parts.

Part 1. Major changes contemplated in Trade Union Law follow:

a. Present law requires all unions regardless of legal status to register with Government. Under amendment only those unions desiring to become juridical persons are required to register.

b. Present law denies benefits of law to unions not registered with the Government. Under amendment all unions complying with the law are accorded benefits of the law, but only registered unions can enjoy the benefits of a juridical person.

c. Amendments provide that both for registration and for participation in the formal procedures established by law, union constitutions must include provisions ensuring annual secret elections for officers and members of standing committees, equal treatment for members, election of national officers directly by members or by delegates elected directly by members, and strike votes only by the members or delegates elected directly by the members.

d. Amendments specifically prohibit domination or interference by employers in formation or administration of labor organization.

e. Amendments clarify and strengthen restrictions against support of unions by employers, but permit employers to contribute to recreation, welfare, or similar funds and provide minimum office space for unions and permit union representatives to confer or negotiate during working hours without loss of pay.

f. Present law makes no provision for closed shop. Amendments permit closed shop if agreed upon by union and employer.

g. Amendments provide that "in no rpt no event shall acts of violence be construed as appropriate acts of trade unions."

h. Amendments permit Central Labor Relations Committee to review legal rulings of prefectural committees, assume jurisdiction in disputes of national importance, and establish rules of procedure for itself and prefectural labor relations committees. This is designed to insure uniform approach to the law throughout Japan, preventing conflicting decisions, and expedite proceedings.

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FROM: SCAP, to DA ESS/LAB WFH/CWH/NB/FENW/rfb

i. Amendments provide new procedure for speedy appeal from legal rulings of labor relations committees.

j. Penalties in present law have been revised to make them realistic and in line with present financial conditions.

Part 2. Major change contemplated in Labor Relations Adjustment Law follows:

a. Present law requires a 30-day cooling off period and compulsory mediation in designated "public welfare" industries (except for those covered by the National Public Service Law); viz., transportation, postal, telegraph, telephone, water supply, gas supply, electric supply, medical treatment, and public health work. Law also gives competent minister, with concurrence of a majority each of labor, employer, and neutral members of the Central Labor Relations Committee, power to designate for a period of one year additional industries as welfare industries wherein work stoppages would endanger public life or seriously affect the national economy. Although present designations are not changed, the proposed amendment assigns the function of additional designations to the Prime Minister with approval of the Diet.

Part 3. Revisions to Trade Union Law and Labor Relations Adjustment Law have been cleared by SCAP, introduced to the Diet, and were passed by House of Representatives 13 May.

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to:
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C/S
G-1
AG
GS
LS
ESS (Return)

Approved by Chief of Staff, 18 May 1949.

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CONFIDENTIAL

CONFIDENTIAL

:CKH:REF:hh

23 May 1949
174 to State Dept
Unnumbered to Army Dept
Unnumbered to CSUSA

SCAP
DEPT OF STATE.....ROUTINE
INFO: DEPT OF ARMY.....ROUTINE
INFO: CSUSA.....ROUTINE

CX50259

240115

No. 174 to Dept of State, May 23, 1949.
Unnumbered to Department of Army, May 23, 1949.
Unnumbered to CSUSA, May 23, 1949.

Reference ~~is made to~~ State SRL 213, May 18, 1949, concerning Japanese reaction to United States reparations statement.

Unanimous Japanese reaction one of elation. Japanese word most commonly used was "arigatai", meaning welcome. United States statement not unexpected by informed Japanese quarters, but all were surprised by sweeping nature of United States position, especially decision that primary war facilities should be converted to peaceful use where possible. All quarters Japan attributed decision to United States generosity and to United States desire to revive Japanese economy, and emphasized improved morale of ~~the~~ people and ~~the~~ likelihood of a higher standard of living.

Japanese Government reaction entirely favorable without regard to politics. Diet members emphasized both United States desire to help Japan and saving of well over two billion yen from Japanese budget. Opinion also expressed in Diet that peace treaty will be facilitated since Japan's major wartime obligation apparently removed. Private opinion also expressed that this United States move effectively counteracts recent gains commie influence resulting from China successes. No official Communist Party reaction; commies want budget saving effected to be used for education, and one prominent commie claims that United States move means reparations from production, which he says Communist Party has always advocated. Japanese Finance Ministry has cautioned that United States move does not necessarily mean that no further reparations will be taken from Japan, but Foreign Office has indicated publicly that United States position will effectively preclude further reparations after interim program finished.

INFO: GS

Handling and transmission of this message in plain text or code classified CONFIDENTIAL has been authorized by the War Department in accordance with the provisions of paragraphs 16-C, 18-E, 19-D (1) (2) (3) (4), AR 380-5, March 1946

CONFIDENTIAL

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FROM: SCAP, TO DEPT OF STATE, INFO DEPT OF ARMY, CSUSA..BS:CKH:REF:hh
23 May 1949

Japanese press gave United States statement widest publicity, extras on day of announcement and headlines for two days. Technical aspects re recision of directives, primary war industries, etc. caused some confusion but press and public quickly realized that United States was stopping present reparations program and advocating maximum use industrial capacity Japan for peacetime industry. Japanese press and public only vaguely aware of mechanics of FEC but are clearly conscious of United States contribution to Japan's economic recovery; connection with nine economic principles and Dodge Mission noted. Stock market, especially heavy industry, jumped immediately after United States announcement. Later reactions concerned statistics of reparations already delivered, budgetary saving and use of this money, and effect on deconcentration program of stopping of reparations.

Local Allied reps accepted United States decision without protest, except Chinese and Filipinos who have made vigorous informal protests. All local Allied reps appear to have realized probability of some such United States move and most do not question its necessity. Chief concern of local reps now is whether or not equipment now allocated but not delivered to four advance transfer countries will be cut off.

HUSTON

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

CLOYCE K. HUSTON
Acting Chief
Diplomatic Section

M/R: 1. State Dept in radio MR 182250 Z, 19 May 49 (State Serial 213, 18 May 49), requested info concerning Japanese and Allied reaction to United States statement re Japanese reparations.
2. Above summarizes Japanese and local Allied reactions and is based on HQ analyses and summaries and on conversations with HQ and Japanese officials.
3. Approved by Acting C/S, 21 May 49.
RHFinn 26-5528

Copies to:
CinC, CS, GS,
ESS, CFC

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has been author
tment in accordance
visions
53-D (1)
(3) (4)
(2) (4)
March 1948

CONFIDENTIAL

Restricted

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/LAB WFM/CHW/VB/FENW/rfb

19 May 1949

FROM: SCAP

TO: DEPT OF ARMY.....PRIORITY

C - 50159 For SAOAS. Reurmsg W 87917 this radio in four parts.

Part 1. Major changes contemplated in Trade Union Law follow:

a. Present law requires all unions regardless of legal status to register with Government. Under amendment only those unions desiring to become juridical persons are required to register.

b. Present law denies benefits of law to unions not registered with the Government. Under amendment all unions complying with the law are accorded benefits of the law, but only registered unions can enjoy the benefits of a juridical person.

c. Amendments provide that both for registration and for participation in the formal procedures established by law, union constitutions must include provisions ensuring annual secret elections for officers and members of standing committees, equal treatment for members, election of national officers directly by members or by delegates elected directly by members, and strike votes only by the members or delegates elected directly by the members.

d. Amendments specifically prohibit domination or interference by employers in formation or administration of labor organization.

e. Amendments clarify and strengthen restrictions against support of unions by employers, but permit employers to contribute to recreation, welfare, or similar funds and provide minimum office space for unions and permit union representatives to confer or negotiate during working hours without loss of pay.

f. Present law makes no provision for closed shop. Amendments permit closed shop if agreed upon by union and employer.

g. Amendments provide that "in no rpt no event shall acts of violence be construed as appropriate acts of trade unions."

h. Amendments permit Central Labor Relations Committee to review legal rulings of prefectural committees, assume jurisdiction in disputes of national importance, and establish rules of procedure for itself and prefectural labor relations committees. This is designed to insure uniform approach to the law throughout Japan, preventing conflicting decisions, and expedite proceedings.

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FROM: SCAP, to DA ESS/LAB UFH/CWH/VB/FENW/rfb

i. Amendments provide new procedure for speedy appeal from legal rulings of labor relations committees.

j. Penalties in present law have been revised to make them realistic and in line with present financial conditions.

Part 2. Major change contemplated in Labor Relations Adjustment Law follows:

a. Present law requires a 30-day cooling off period and compulsory mediation in designated "public welfare" industries (except for those covered by the National Public Service Law); viz., transportation, postal, telegraph, telephone, water supply, gas supply, electric supply, medical treatment, and public health work. Law also gives competent minister, with concurrence of a majority each of labor, employer, and neutral members of the Central Labor Relations Committee, power to designate for a period of one year additional industries as welfare industries wherein work stoppages would endanger public life or seriously affect the national economy. Although present designations are not changed, the proposed amendment assigns the function of additional designations to the Prime Minister with approval of the Diet.

Part 4. Revisions to Trade Union Law and Labor Relations Adjustment Law have been cleared by SCAP, introduced to the Diet, and were passed by House of Representatives 13 May.

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

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Approved by Chief of Staff, 18 May 1949.

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10 May 1949

Unnumbered(to Rome)
Unnumbered(to Paris)
Unnumbered(to Geneva)
Unnumbered(to London)

SCAP
AMEMBASSY, ROME . . . . . ROUTINE
AMEMBASSY, PARIS . . . . . ROUTINE
AMCONSULATE, GENEVA . . . . . ROUTINE
AMEMBASSY, LONDON . . . . . ROUTINE

CX 69932 110051

Unnumbered (to Rome), May 10, 1949.
Unnumbered (to Paris), May 10, 1949.
Unnumbered (to Geneva), May 10, 1949.
Unnumbered (to London), May 10, 1949.

Chester W. Nepler, SCAP representative ILO Conference, Geneva, arriving Rome approximately June 2, Paris June 6, Geneva June 9 and London June 15 desires ECA labor representatives be advised of arrival dates and billeting arrangements made.

OFFICIAL:

R. H. LEVY
Colonel, AGD
Adjutant General

APPROVED:

for CLOYCE K. HUSTON
Acting Chief
Diplomatic Section.

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AG Records

H/st. Based on [illegible] check sheet of 9 May 1949, subj., "Request for Clearance, Chester W. Nepler".

VGH 26-5035

GS (info)

810.9

Restricted

INFORMATION [illegible] literal correction [illegible] Department [illegible] provisions of 18-E, 53-A, 53-D (1) (3) (4), [illegible] 60-A (1) (2) 6 March 1946

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FTC WFM/RWH/LJG/RJC/jc

7 May 1949

FROM: SCAP

070659

TO: DEPT OF ARMY.....PRIORITY

C-69863 FOR CSCAD ECON PD REOURAD CHARLIE SIX NINE FOUR TWO EIGHT APRIL FOUR NINE PD SUBJECT IS QUEBRACHO PD SCAP MISSION IN SOUTH AMERICA HAS REQUESTED PERMISSION TO CONSIDER PURCHASE ARGENTINE QUEBRACHO PD REQUEST REPLY OURAD CHARLIE SIX NINE FOUR TWO EIGHT SOONEST

OFFICIAL: APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

for W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to:

CINC	GS
C/S	PH&W
G-4	NRS
AG	GEN ACCTG
FISCAL	GARIOA
TRANSP	ESS (Return)

Memorandum for Record:

1. Outgoing radio is follow up of our radio C 69428 dtd 22 Apr 49 which requests opinion of Dept. of Army on present policy of not buying Quebracho from Argentina.

2. SCAP Mission in S.A. has requested permission to consider [illegible] purchase of Argentine quebracho.

RESTRICTED

3. Concurrences: Not required.

R.W.H.

Mr.Christman-26-6536

Restricted

RESTRICTED

R

CofS - MFB/js

5 May 1949

FROM: CINCFE

TO : DEPT OF ARMY . . . . . ROUTINE

(-69784) For JCS. Urmsg W-88090 receipt acknowledged 050900-Z. Concur in declassification. Press release will be issued here 080900-Z.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

DISTRIBUTION:

CinC
CofS
NRS
Govt
CI&E
Legal
PIO
ESS

GOVERNMENT

Unauthorized disclosure subject to penalties imposed by the provisions of Sections 793 and 794, Title 18-E, 53-A, 53-D (1) (2) (3), and 69-A (1) (2) (3) (A), AR 380-5, 6 March 1946

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GENER..L HE..DQU..RTERS
SUPREME C..MM..NDER FOR THE ..LLIED POWERS

OUTGOING MESS..GE ESS/FTC WFM/RWH/..JG/MLT/jc

5 May 1949

FROM: SC..P

051217

TO: DEPT OF .RMY.....PRIORITY

C-69798 For CSCAD BMP and FAOA EROA GP. Reurad W87606 Apr 49. Procurement of FIC anthracite lump coal is subject.

1. Past experience has proven that low ash anthracite coal is the most suitable carbon material for production of calcium cyanamide. FIC anthracite averages less than 5% ash and more than 85% fixed carbon, whereas 29,312 tons anthracite thus far procured under TOG 62-4-215CB indicates 12% ash and 75% fixed carbon, the cost thereof being $32.80 per mton per urad W85677. Actual processing in Japan indicates that each ton of FIC 5% ash anthracite produces .065 mtons more nitrogen than is produced when using anthracite containing 12% ash. In order to obtain 1 ton of nitrogen, 3 tons of ammonium nitrate are required at an approximate landed cost of $91. per mton for ammonium nitrate or $273. for 1 ton of nitrogen. The ultimate saving realized from using FIC anthracite is approximately $17.75 per unit ton of coal over the cost to produce nitrogen from coal containing 12% ash. 36,000 tons of FIC anthracite will produce approximately 2,340 tons of nitrogen in excess of quantity that can be produced by using an equal amount of 12% ash anthracite. Comparing the cost of 36,000 tons of anthracite at $28.40 C&F Japan per current ZI price stated urad W 87606, and FIC anthracite at $36.50, the total net saving in production of nitrogen realized from using FIC anthracite approximates $242,000. Believe purchase FIC anthracite justified and request reconsideration this matter.

2. In the alternative, since negotiations for FIC anthracite were predicated upon C&F price of $33.33 for anthracite with 12% ash per urad W85677, request approval procurement against EROA at not less than $33.33 per mton.

3. If neither of the above requests can be approved, recommend procurement in ZI of anthracite lump coal comparable to FIC quality with maximum 5% ash and minimum 85% fixed carbon at $28.40 C&F Japan as indicated urad W 87606, utilizing $1,304,441. allocated under Program 49-142-80J, advice of allocation #95627.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

for: W. F. MARQUAT
Major General, U. S. Army
Chief, ESS

Copies to: CINC C/S PLG-4 AG FISCAL QM RYUKYUS MG PH&W GEN PROC NRS D/S
TOEC.. FO GARRICA ESS (Return)

Miss Tobin 26-8589

has been auto... by the War Depar... tment ... visions ... 53-D (1) ... 18-E, 53-A, (3) (4), ... (1) (2) ... 5, 6 March 1946

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/FTC WFM/RWH/ABS/JM/vs

4 May 1949

FROM: SCAP

TO: DEPT OF ARMY . . . . . .PRIORITY

C-69752 040203

FOR QMGAD PD REURAD WILLIAM DASH EIGHT SEVEN EIGHT THREE TWO APRIL ONE NINE FOUR NINE CMA SUBJECT CLN PART PROGRAM TARE OBOE GEORGE SIX TWO DASH ZERO DASH TWO ONE EIGHT CHARLIE BAKER PD CONCUR ON PURCHASE OF COWHIDES FOR PART OF STEER HIDES REQUIREMENT

OFFICIAL:

APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

for W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to:

CC, C/S, G-4, AG, FISCAL, TS, GS, PH&W, GEN PROC, NRS, OGA, GARIOA, ESS (Return)

MEMO FOR RECORD:

1. In view of tight situation in U.S. for steer hides, Washington suggests purchase of cowhides in lieu of steer hides which were requested in our cable C-69079, dated 7 April 1949. This cable concurs in purchase of cow hides for part of steer hides requirement.

2. No concurrence necessary.

J. Marcs 26-8687

R. W. H.

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Govt

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XXXXXXXXXX
SUPREME COMMANDER FOR THE ALLIED POWERS

031137

CofS EMA:fjl

SCAP

DEPT OF ARMY ..... ROUTINE 3 MAY 1949

C-69751

FOR CHARLIE SUGAR CHARLIE ABLE DOG SPACE EASY CHARLIE OBOE NAN FOX RECURADS ZEBRA THREE NINE ONE THREE TWO CHA FEBRUARY ONE NINE FOUR NINE AND CHARLIE SIX NINE FIVE ONE ONE CHA APRIL ONE NINE FOUR NINE CHA SUBJECT IS FOREIGN EXCHANGE CONTROL BOARD FD PARA ONE IN ORDER TO IMPLEMENT EFFECTIVELY SUGAR CHARLIE ABLE PETER ITEM NAN ONE NINE SIX EIGHT IT IS DESIRABLE THAT THE FOREIGN EXCHANGE CONTROL BOARD BE PERMITTED AT AN EARLY DATE TO ADMINISTER AND OPERATE SUCH FOREIGN CURRENCY FUNDS AND ACCOUNTS AS ARE NOT RPT NOT NECESSARY TO SECURE ADEQUATELY OBOE JIG EASY ITEM ROGER FOX CHA PETER FD LOVE FD EIGHT TWO ZERO AND OTHER COMMITMENTS FD THIS TURNOVER WILL BE ON ABLE GRADUAL BASIS AND CONDITIONED UPON THE ABILITY OF THE BOARD AND ITS OPERATING AGENTS DASH THE BANK OF JAPAN DASH TO ACCEPTABLY SERVICE AND CONTROL THE ACCOUNTS WITH APPROPRIATE PERSONNEL CHA DOCUMENTARY RECORDS AND ACCOUNTING PRACTICES AND PROCEDURES FD PARA TWO AS AN INITIAL STEP IT IS CONTEMPLATED MAKING AVAILABLE TO THE BOARD SUFFICIENT UNCLE SUGAR DOLLAR AND STERLING FUNDS IN SUGAR CHARLIE ABLE PETER COMMERCIAL ACCOUNTS TO ENABLE THE SERVICING OF INSURANCE CHA FREIGHT CHA PORT CHARGES CHA AND CERTAIN

8

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TOURIST AND OTHER TRADE SERVICES AND SIMILAR ITEMS UNDER AN ALLOCATION ARRANGEMENT SOMEWHAT ALONG THE LINES USED BY THE ARMY AND OTHER FEDERAL AGENCIES IN THEIR FISCAL ACCOUNTING FD PROJECT CONTROL WILL BE MAINTAINED BY SUGAR CHARLIE ABLE PETER BUT THE DETAILED ACCOUNTING WITHIN PROJECT ALLOTMENTS WILL BE THE RESPONSIBILITY OF FOREIGN EXCHANGE CONTROL BOARD THROUGH ITS OPERATING ARM CMA THE BANK OF JAPAN CMA SUBJECT TO CONTINUING AUDIT BY SUGAR CHARLIE ABLE PETER FD PARA THREE THE PROGRAM WILL BE ACTIVATED ONE FIVE MAY UNLESS THERE ARE SOME LEGAL OR INTERNATIONAL OBSTACLES WITH WHICH THIS HEADQUARTERS IS NOT FAMILIAR

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

COPIES TO:

CinC
CofS (Return)
AG
Govt
Fiscal
OGA

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plain text of this message as correspondence of the same classification has been authorized by the War Department in accordance with the provisions of 53.2 (1) 18-E, 53-A, (1) (2) 1946

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GENERAL HEADQUARTERS
FAR EAST COMMAND

OUTGOING MESSAGE GD SP CWF/HAH/SSB/EHM/lg

3 MAY 1949

030139

Copy: Govt

FROM: CINCFE

TO: JUSMAG PHIL. . . . . .ROUTINE

INFO: DEPT OF ARMY . . . . . .ROUTINE
CG PHILCOM ROUTINE

CX69728 FOR CHARLIE SUGAR GEORGE PETER OBOE PD SUBJECT IS MILITARY ASSISTANCE AGREEMENT PD RE DEPT OF ARMY MSG WILLIAM XRAY EIGHT SEVEN SEVEN SEVEN EIGHT CMA TWO SEVEN APRIL FOUR NINE CMA IF PASSAGE OF TITLE ON UNITED STATES OWNED PROPERTY CMA TRANSFERRED UNDER THE PROVISIONS OF CITED AGREEMENT CMA IS STILL DESIRED REQUEST YOU TAKE ACTION OUTLINED IN WILLIAM XRAY EIGHT SEVEN SEVEN SEVEN EIGHT PD INFO CINCFE ON ALL ACTIONS

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

H. E. EASTWOOD
Colonel, GSC
Assistant Chief of Staff, G-1

Copies to: C-in-C, C/S, AG, Govt, Diplomatic, JSPOG, COMNAVFE

Handling and transmission of literal message as correspondence in this classification has been authorized by the War Department in accordance with the provisions of 53-D (1) (2) (3) (4), AR 380-5, 16-C, 18-E, 53-A, 20-A (1) (2) Memo 1946

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

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OUTGOING MESSAGE ESS/FTC WFM/RWH/ABS/JM/rhi

2 May 1949

020835

FROM: SCAP

TO: DEPT OF ARMY.....PRIORITY

C-69719 FOR QMGAD PD REURAD WILLIAM EIGHT SEVEN SIX EIGHT NINE DATED TWO SEVEN APRIL FOUR NINE SUBJECT CLN PROCUREMENT OF HIDES AND SKINS PD CONCUR ON PROCEDURE MENTIONED IN REFERENCE CABLE

OFFICIAL: APPROVED:

R. M. LEVY
Colonel, AGD
Adjutant General

for W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

AMH

Copies to:

	G-4	PH&W	GEN ACCTG
CC	AG	G PD	GARIOA
C/S	GOVT	NRS	ESS (Return)

MEMO FOR RECORD:

1. This cable concurs in the procurement by DA Washington of calfskins, kipskins and steer hids requested in our cable No. C-69079 dated 7 April '49.
2. No concurrences necessary.

R. W. H.

J. Marcs: 26-8687

Handling and transmission of Internal plain text of this message as Restricted pondence of the same classification has been prescribed by War Department E. 53-A,

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GENER-L HE.DQU.RTERS
SUPREME COMM.NDER FOR THE .LLIED POWERS

OUTGOING MESS.GE ESS/FTC WFM/RWH/.JG/RJC/jc

30 April 1949

300653

FROM: SC.P

TO: DEPT OF .RMY.....PRIORITY

2C-69680 FOR FAOA PD REUR.DS WILLIAM EIGHT SEVEN ONE NINE ONE PART TWO .PRIL FOUR NINE .ND WILLIAM EIGHT ZERO EIGHT EIGHT TWO DECEMBER FOUR EIGHT PD SUBJECT IS GLUESTUFFS PD PARA PROCUREMENT COMPLETED TO D.TE FOLLOWS CLN EIGHT ZERO SEVEN PNT TWO THREE METRIC TONS HIDE FLESHINGS ONE TWO TWO ONE EIGHT THREE PNT TWO FIVE DOLLARS SMCLN SIX THREE FOUR PNT FOUR METRIC TONS HIDE SCR.PS AND CUTTINGS ONE THRE. TWO FIVE SEVEN ZERO PNT SEVEN NINE DOLLARS/SMCLN TWO ZERO ONE PNT SIX METRIC TONS BONE SINEWS TWO NINE SEVEN TWO ZERO PNT FIVE ZERO DOLLARS PD TOT.L TONNAGE GLUESTUFFS ONE SIX FOUR THREE PNT TWO THREE METRIC TONS PD TOT.L EXPENDITURE TWO EIGHT FOUR FOUR SEVEN FOUR PNT FIVE FOUR DOLLARS PD UNEXPENDED B.LANCE UNDER .BLE .BLE NINE FIVE TWO NINE SIX IS ONE FOUR THREE PNT FOUR SIX DOLLARS

OFFICI.L: .PPROVED:

for W. F. MARQUAT
Major Gene.al, U. S. .rmy
Chief, Economic and Scientific Section

R. M. LEVY
Colonel, .GD
Adjutant Gener.l

Copies to:

CINC	G-4	FISC.L	RYUKYUS MG	DS	NRS
C/S	AG	GOVT SECT	GEN PROC	G.RIOA	ESS (Return)

Memor.ndum for Record:

1. Ref radio W 87191 dtd 15 Apr 49 answered by Foods in part one (radio C69388). Part two requests status of procurement of hide fleshings and bone sinews. Outgoing radio infos Wash. total tonnage gluestuffs procured 1,643.23 MT. Total expenditure $284,474.54. Unexpended balance $143.46.

2. Concurrence: Not required.

Mr. Christman-26-6536 R.W.H.

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/TEX WFM/FAW/JGT/HN/ESS/CS

29 April 1949

290259

FROM: SCAP

TO: DEPT OF ARMY. . . . . .ROUTINE

C-69618 For CSCAD ECON. Reurad W91476 December 1947 and ourad C65075 November 1948. Subject is Raw Cotton Procurement Program. ,This radio in two parts.

1. Cotton procured from non-U.S. sources since 31 October 1948 is as follows: (American size bales)

a. From 1 November 1948 thru 31 December 1948:

Egypt	2664
India (waste)	3200

b. From 1 January 1949 through 15 April 1949:

Egypt	19,662
India	19,040
Pakistan	38,480
Peru	20
Uganda	8,440

2. Egyptian cotton procured from 1 November 1948 thru 31 December 1948 is chargeable to 20% open category since it represents an overage of allocated percentage of Egyptian cotton. Peruvian and Uganda cotton also chargeable to 20% open category.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

for W. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to: CINC, C/S, G-1, G-4, Transp, Govt, NRS, Diplomatic, ESS (Return)

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GENERAL HEADQUARTERS
FAR EAST COMMAND

GA/P&P

CONFIDENTIAL

OUTGOING MESSAGE 28 April 1949.

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63865
220
60450
290437

FROM: CINCFE

TO: CG MILITARY DISTRICT OF WASH . . . . . ROUTINE 2460

81-69623 FOR ANMGS DASH P PD REURMSG WCL TWO FOUR SIX ZERO
C 6 9 2 5 4
EIGHT AND OURMSG CHARLIE SIX NINE TWO FIVE FOUR CMA SCAP HAS NO REPEAT

NO OBJECTION TO ENTRY OF REPRESENTATIVE OF ACLU FOR PURPOSE STATED PD
W 8 7 5 0 0
HOWEVER CMA INFORMATION IN URMSG WILLIAM EIGHT SEVEN FIVE ZERO ZERO
INDICATES WIRIN IS TYPE OF PERSON SCAP DOES NOT DESIRE IN THEATER PD IF
DEPT OF ARMY BELIEVES WIRIN ONLY PERSON QUALIFIED FOR PURPOSE STATED
AND INFORMATION AVAILABLE TO DEPTS OF ARMY AND STATE INDICATE HE WOULD
NOT CONSTITUTE SECURITY THREAT SCAP WILL ACCEPT HIM PD IF DEPT OF ARMY
OBJECTS TO ENTRY WIRIN CMA SCAP WILL GIVE CONSIDERATION TO ENTRY SOME
OTHER REPRESENTATIVE UPON SUBMISSION OF NAME

OFFICIAL:

R.M. LEVY
Colonel, AGD
Adjutant General

APPROVED BY:

W.A. BEIDERLINDEN
Brigadier General, GSC
Asst Chief of Staff, G-1

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Copies to:
CinC LS
C/S JA
AG DS
G-2 GS
G-2 CIS

M/R: Inst action approved by C/S 27 Apr 49, ref is CN 5 G-1 to CS, 26 Apr 49, subj "Entry Japan of A.L. Wirin".

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GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS

OUTGOING MESSAGE ESS/TEX WFM/FAM/JGT/lh

25 April 1949 .

FROM: SCAP

250415

TO: DEPT OF ARMY ..... PRIORITY

C-69499 Reurads W 84419 of 16 Aug 47 and W 82503 of 23 Jul 47. Subject is Mexican Cotton Procurement.

SCAP mission to South America exploring possibilities obtaining raw cotton for Japan have advised likelihood Mexican export surplus this year amounting to 350,000 bales. Mexican cotton shippers apparently not interested in back to back or escrow credit transactions. However mission believes substantial exchange of goods is possible provided normal commercial trading practices can be established. Assuming Japanese purchases of Mexican cotton do not exceed sales of Japanese products to Mexico it is view here that such procurement is not repeat not in opposition to Department of Army policy of avoiding use of US dollars for purchase foreign grown cotton as expressed in reference radios. This is essentially method now used for Egyptian and Brazilian procurement which is controlled on a purchase by purchase basis. Current proposal is that, if a given country will undertake to purchase Japanese products, Japan will guarantee to spend the proceeds of such sales for procurement of cotton and other essential materials to the extent available in that country. If Japan should obtain a similar guarantee, cotton procurement could be initiated prior to receipt of export orders. Under such arrangements it may be necessary to pay prices somewhat higher than paid in free dollars for corresponding U.S. raw cotton. Total procurement of such cotton would be kept within 20% unassigned quota as approved urad 4 Dec 47 W 91476. Request reply soonest.

OFFICIAL:

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

for: F. F. MARQUAT
Major General, U. S. Army
Chief, Economic and Scientific Section

Copies to:
CINC, CS, G-1, G-4, AG, TRANSP, GOVT, NRS, DIPLOMATIC, ESS (Return)

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