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~~FAR EASTERN COMMISSION~~

COPY NO. 6FEC-CONFIDENTIALPROVISIONAL MINUTES101st FEC Meeting8 April 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred First Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N. W.,
Washington, D. C.
8 April 1948, 10:30 A. M.

REPRESENTATIVES PRESENT

Major General Frank R. McCoy (United States) (Chairman)
His Excellency Mr. Norman J. O. Makin (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
Mr. J. Daridan (France)
His Excellency M. Asaf Ali (India)
Mr. R. K. Nehru
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
His Excellency Mr. A. S. Panyushkin (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

SECRETARY GENERAL

Mr. Nelson T. Johnson

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Provisional Minutes - 101st FEC Mtg.

SUMMARY--FECFEC--CONFIDENTIALSUMMARY - 101st FEC Mtg.8 April 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 101st MEETINGDEPARTURE OF HIS EXCELLENCY M. ASAF ALI

MR. ASAF ALI attended the first few minutes of the meeting in order to take leave formally of the Commission.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE-HUNDRETH MEETING

Approved.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/4; 300 series)

Philippine amendment in FEC-300/4 defeated by a vote of 2 to 5. Further consideration postponed.

ITEM 3 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19, SC-245/16)

Postponed.

ITEM 4 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, FEC-298/1)

Soviet representative presented formal statement (subsequently circulated as FEC-298/2).

ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-273)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Postponed.

ITEM 6 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS (FEC-201/1)

Postponed.

ITEM 7 - OTHER BUSINESS

None.

ITEM 8 - PRESS RELEASE

None.

FEC--CONFIDENTIALDEPARTURE OF HIS EXCELLENCY M. ASAF ALI

GENERAL McCOY opened the meeting and said that before proceeding with the business on the agenda he had to announce with regret that Mr. Asaf Ali was attending the meeting for the purpose of saying farewell to the Commission.

MR. ASAF ALI thanked General McCoy for giving him this opportunity to take his leave of all his colleagues on the Commission. The representatives on the Commission had worked together in amity and harmony and he could endorse a statement made by the Chairman at a previous meeting that the Commission was the most successful of contemporary international organizations. The achievements of the Commission, he felt, were attributable to a large extent on the one hand to the tolerance, accommodation and patience of the Chairman and on the other hand to the spirit of good will in which all representatives had endeavored in these difficult times to work out their problems. He had no doubt that the work of the Far Eastern Commission was contributing to the strengthening of the present rather feeble hopes of the world.

GENERAL McCOY, on behalf of all representatives, wished Mr. Asaf Ali a very warm bon voyage and expressed confidence that in his case, as in the case of other Indian representatives who had served on the Far Eastern Commission, his departure was a step toward greater preferment in his Government.

MR. ASAF ALI departed the meeting and MR. NEHRU assumed his chair as Indian representative.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE-HUNDRETH MEETING

THE COMMISSION unanimously approved the minutes of its one-hundredth meeting with a correction as shown in the record of approval subsequently circulated.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/4; 300 series)

GENERAL McCOY drew attention to the Philippine amendment (FEC-300/4) and suggested that it be dealt with before further considering the proposed policy decision (FEC-300/3).

MR. JOVELLANOS said that he felt that adequate discussion of the substance of the amendment had already taken place in the working committee and in the Steering Committee. Accordingly, he would, without further explanation, move its adoption.

GENERAL McCOY said that the United States position with regard to the Philippine amendment was that its inclusion would constitute a provision on implementation and therefore would not be in accordance with the proper functions of the Commission, to provide policy decisions under which the Supreme Commander could act. However meticulous as it might seem to representatives, he was obliged again to point out the firm United States position on the fact that the Far Eastern Commission was a policy-making body and had nothing to do with administration in Japan. This position was felt by his Government to be in accordance with the Terms of Reference of the Commission and also with the broad authority of the Supreme Commander to carry out policy on behalf of all of the countries members of the Far Eastern Commission. For these reasons he would not be in a position to vote for the Philippine amendment.

MR. PANYUSHKIN said that the Philippine amendment was not merely a technical amendment but concerned political aspects of the proposed policy decision. This amendment bore on the accompaniment of non-voting observers by Japanese technical personnel. The inclusion in the composition of the staff of an observer of appropriate Japanese personnel was not, he said, merely a technical question, but was a political matter, since the principle

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of Japanese participation in any capacity at inter-governmental conferences was a political question. Therefore, he said, a provision to that effect should be contained in the appropriate document.

DR. KOO said that in the previous discussion of this subject there had been divergencies of opinion and that, in the hope of facilitating agreement, the Chinese delegation had, at the Steering Committee, suggested certain amendments (SC-300/2). The first of these amendments, to paragraph 2 of the proposed policy, had been adopted. However, the second of these amendments, to paragraph 3, had not been adopted. It was evident that the present Philippine amendment was in effect a revision of the Chinese amendment which had failed of adoption. This continued effort to incorporate an amendment similar to that which had been suggested by the Chinese delegation would seem to suggest that there existed a real need for such an amendment and that there must be some formula which would meet the viewpoints of all representatives. He was prepared to vote for the Philippine amendment but wished it clearly understood that in so voting, he was not intending to criticize any past actions of the Supreme Commander. He realized that the Supreme Commander had been faced with the need for action and had accordingly acted in the absence of guidance in the form of a Commission policy. Therefore, without any implication of criticism, but in an effort to afford guidance for the future, he would vote for the Philippine amendment, which he hoped would afford a ground for unanimity.

MR. JOVELLANOS associated himself with the remarks of Dr. Koo and said that the Philippine delegation, in submitting the amendment shown in FEC-300/4 had entertained no intention of casting any reflection on the past action of the Supreme Commander

The Philippine proposal to add the words "and previously approved by the Far Eastern Commission" to paragraph 3 of FEC-300/3 was voted on as follows:

In favor : China, Republic of the Philippines

Opposed : Canada, Netherlands, New Zealand, United Kingdom, United States

Abstained: Australia, France, India, U.S.S.R.

The amendment was declared lost by lack of a majority of all the representatives.

GENERAL McCOY asked whether Mr. Powles desired to make any remarks regarding FEC-300/3, the proposed policy decision based on FEC-300, which had originally been submitted by the New Zealand delegation.

MR. POWLES said that he thought it premature to begin discussion of this proposal until all representatives had received instructions. It was his understanding that the United States and Indian delegations were still without instructions. GENERAL McCOY said that the United States delegation had now received its instructions. However, if there were no objection he would postpone discussion until the Indian representative had received instructions.

Without objection, further consideration of this subject was postponed.

ITEM 3 - CIVIL AVIATION IN JAPAN (FEC-245/18, FEC-245/19, SC-245/16)

Without objection further consideration of this subject was postponed to afford opportunity to those representatives with reservations to submit further amendments.

ITEM 4 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, FEC-298/1)

MR. PANYUSHKIN presented the following formal statement (subsequently circulated as FEC-298/2):

"At the last meeting of the Far Eastern Commission I already pointed out that the Soviet delegation considered the answers of the United States delegation to our questions concerning credits planned by the United States for the reconstruction of the Japanese industry to be unsatisfactory.

"Indeed, the Far Eastern Commission which is called to formulate the policies, principles, and standards in conformity with which the fulfillment by Japan of its obligations under the Terms of Surrender may be accomplished, remains in ignorance on such an important political question as the planning of reconstruction of Japanese industry.

"As is known, at the meeting of the Far Eastern Commission on January 21, 1948, the USA representative stated the view of his Government as to the necessity to work out new measures for the purpose of creating a self-supporting economy in Japan, and requested favorable consideration of the proposed United States policy when it would be presented for the discussion by the Far Eastern Commission.

"In my conversation with General McCoy on February 9, I tried to find out what would be the substance of new United States proposals and to what matters they would be related. However, General McCoy, as the United States representative, confined himself in this conversation to a rather indefinite answer, having stated that these proposals were still being worked out by the experts in appropriate departments and as soon as they were ready they would be presented for the consideration by the Far Eastern Commission.

"More than sufficient time has elapsed since that date, but these new proposals have not yet been submitted to the Commission for the consideration. At the same time, in the American press there are again and again appearing articles which refer to the fact that the United States Government is working out its policy in regard to reconstruction of the Japanese industry and is planning the allotment of certain credits for this purpose in evasion of the Far Eastern Commission.

"In addition to the facts set forth in FEC-298 I would like to draw the attention of the Commission to the articles in New York Herald Tribune and PM of April 7, 1948, regarding the credits planned by the USA for the reconstruction of the Japanese industry.

"I would like to emphasize once more that it was the Far Eastern Commission, but not a single government, to whom the Moscow Conference of the four Foreign Ministers has entrusted the formulation of the policies, principles, and standards in conformity with which the fulfillment by Japan of its obligations under the Terms of Surrender may be accomplished.

"Therefore, the Soviet delegation considers it necessary to state, in order to make clear that without the policy decision of the Far Eastern Commission on the question of the reconstruction of Japanese industry no other unilateral decisions and actions could be considered legal."

GENERAL McCOY said that the Soviet representative's statement would be brought to the attention of the United States Government, to which it seemed to be mainly addressed. He asked whether the Soviet representative desired the subject retained on the agenda. MR. PANYUSHKIN replied in the affirmative.

Without objection, further consideration of this subject was postponed.

- ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)
b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

GENERAL McCOY remarked that although he had nothing to report at the present meeting, he understood that consideration of this subject was con-

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tinuing.

Without objection, further consideration of this subject was postponed.

ITEM 6 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS (FEC-201/1)

GENERAL McCOY asked whether the Soviet representative desired this subject retained on the agenda. MR. PANYUSHKIN replied in the affirmative.

Without objection, further consideration of this subject was postponed.

The meeting adjourned at 11:30 A.M.

COPY NO. 196FEC--CONFIDENTIALPROVISIONAL MINUTES--102nd FEC Mtg.15 April 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred Second Meeting of the Far Eastern Commission
Held in the Main Conference Room, 2516 Massachusetts Avenue, N. W.
Washington, D. C.
15 April 1948, 10:30 A.M.

REPRESENTATIVES PRESENT

Major General Frank R. McCoy (United States) Chairman
His Excellency Mr. N. J. O. Makin (Australia)
Mr. R. E. Collins (Canada)
Dr. S. H. Tan (China)
Mr. J. Daridan (France)
Mr. S. N. Banerji (India)
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
Rear Admiral S. S. Ramishvili (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

SECRETARY GENERAL

Mr. Nelson T. Johnson

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

Provisional Minutes--102nd FEC Mtg.

SUMMARY

FEC-CONFIDENTIALSUMMARY, 102nd FEC Meeting15 April 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 102ND MEETINGITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED AND FIRST MEETING

Approved.

ITEM 2 - ORAL REPORT BY THE DEPUTY CHAIRMAN OF THE STEERING COMMITTEE ON THE COMMITTEE'S CONSIDERATION OF THE MARITIME SAFETY AUTHORITIES' BILL

Report by Acting Chairman of the Steering Committee and discussion.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES
(FEC-300/3, FEC-300/5, 300 series)

United States substitute proposal submitted (FEC-300/6)

ITEM 4 - CIVIL AVIATION IN JAPAN
(FEC-245/18; FEC-245/19, SC-245/16)

Postponed.

ITEM 5 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY
(FEC-298, FEC-298/1, FEC-298/2)

Postponed.

ITEM 6 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES
(FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES
(FEC-219/25, 219 series)

Postponed.

ITEM 7 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS
(FEC-201/1)

Postponed.

ITEM 8 - OTHER BUSINESS

Statement by Australian Representative regarding message from SCAP to United States Department of the Army.

ITEM 9 - PRESS RELEASE

None.

Summary, 102nd FEC Meeting
15 April 1948

FEC--CONFIDENTIALITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED FIRST MEETING

THE COMMISSION unanimously approved the minutes of its one hundred first meeting.

ITEM 2 - ORAL REPORT BY THE DEPUTY CHAIRMAN OF THE STEERING COMMITTEE ON THE COMMITTEE'S CONSIDERATION OF THE MARITIME SAFETY AUTHORITIES BILL

This discussion is recorded verbatim as follows:

GENERAL McCOY: The Netherlands representative, as Deputy Chairman of the Steering Committee, has an oral report to make on the Committee's consideration of the Maritime Safety Authorities Bill.

MR. REUCHLIN: Yes, Mr. Chairman. May I first of all briefly outline the history of this subject.

The origin was the article in the New York Times of April 6th by a Mr. Lindesay Parrott, the correspondent in Tokyo, who reported on a Japanese bill which was before the Diet on what he called Japanese coastal patrol craft. Mention was made in that article of minelayers and special duty submarines, and at the meeting of the Steering Committee on the same day at the request of the Soviet representative, this question was put on the agenda (SC-305).

The Secretariat later circulated the actual text in translation of the bill which was called the "Maritime Safety Authorities Bill" and which was introduced in the Japanese Diet (SC-305/1).

In the Steering Committee last Tuesday a discussion of this bill took place. In the view of some of the members of the Steering Committee the establishment of a civilian coastal patrol might, in certain circumstances, conflict with the Commission's policies on disarmament, and for this reason it was considered a matter of great importance to consider this bill in the Steering Committee.

Various inquiries were made in the Steering Committee as to the interpretation of relevant portions of the text. Also, some additional information and clarification were sought. The United States member very kindly promised that he would get that information as soon as possible.

Then the procedure to be followed was discussed, and the Committee first of all looked at Article 34 of this bill, which said that: "The date of the enforcement of this Act shall be fixed by a Cabinet Order provided that the date shall not be after May 1, 1948". So it was felt that this was a matter of great urgency if the Commission were to do anything before May 1st.

The Soviet representative thought that the whole subject might better be referred to the Commission. However, this proposal was defeated, and instead a proposal by our New Zealand colleague was accepted, the object of which was to keep the subject on the agenda of the Steering Committee in the hope that by next Tuesday the information requested would be received and then at that time the Steering Committee should take a decision as to whether this question is going to be brought up at the full meeting of the Commission.

The Soviet member then proposed that the Acting Chairman of the Steering Committee report to the Commission about this matter, in view of the fact that he felt, and most members agreed, there was great urgency in the matter. It was also agreed that it was not the intention of the Steering Committee that a technical discussion, article by article, of the bill should take place in the Commission. The only thing which the Steering Committee wanted to do was in some way to inform the Commission, so that, if any member felt that some action was necessary, it would have an opportunity to decide on such action.

GENERAL McCOY: Thank you very much.

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GENERAL McCOY: The representative of the U.S.S.R., I believe, is concerned and has caused this to be brought before the Commission. What is your wish in this affair?

ADMIRAL RAMISHVILI: Mr. Chairman, this is not only my question and I don't think that I am the only one concerned in this matter. For the time being I would like to withhold my opinion and hear what other members say. I only want to make one remark on the report of the Acting Chairman of the Steering Committee: although the question was brought to the attention of the Steering Committee by myself it so happened that it was the New Zealand representative who actually proposed it. This New Zealand proposal was in conformity with my own intention and I therefore supported it.

MR. REUCHLIN: Yes, you are quite correct. I am sorry.

GENERAL McCOY: Well, we come around to the New Zealand representative then.

MR. POWLES: Well, Mr. Chairman, it was thought that, in view of the fact that there appears so very little time available to the Commission, it would be advisable to acquaint the Commission with the fact that the Steering Committee was considering the matter, which might require urgent attention next week. The Steering Committee, as our Chairman has said, decided that it would consider the matter at its meeting next Tuesday, and it may well be that, as a result of that consideration, the Steering Committee may recommend to the Commission for its consideration next Thursday some type of action which may have to be taken in a very great hurry.

We were all impressed, I think, in the Steering Committee by the fact that the proposed bill makes a provision for the Board to be established no later than the 1st of May, which indicates that the Japanese Government must have expected the bill to pass the Diet before the 1st of May, in which case it is obvious that the Commission has very little time if it wishes to take action before the passage of the bill. Of course, we can always act after the bill has been passed, but, as we noted before in similar circumstances, action in those cases was a little bit more difficult. And consequently, in view of the fact that the bill does appear--and on further perusal it still appears--to contravene the provisions of our policy on disarmament, it would seem that we may have to be prepared to take most urgent action next week.

GENERAL McCOY: Well I think, since the matter is before us in the way of the statements made in the report of the Chairman, that I might at least give a little bit of information--although not much--this morning, because I find on diligent inquiry that this bill was not known about in any government department here until the newspaper article was mentioned. And then, in the search for information on the part of the departments it was discovered that there was a draft already in the hands of the Department of the Army, and that has been distributed to you.

I find that this bill was probably introduced into the Diet, at least on a committee level, on March 21st. A copy of the bill was sent from Tokyo on April 1st and reached Washington on April 9th and was immediately given to the Far Eastern Commission. This was the first copy of the bill to reach any department of the United States Government in Washington, or the first information on the subject. So that it's in a speculative state, and in a responsible government it's the natural presumption that the bill is not the law and will probably be subject to scrutiny not only on the part of the Diet but also on the part of the Supreme Commander, to see that it is in accordance with the policy of this Commission.

My Government sees nothing in the bill contrary to policies already established by the Far Eastern Commission. There seems to be no policy decision involved in the matter, and there is no question of its being in contravention with the policy of this Commission. The disarmament paper did not include a prohibition against Japan's having a maritime customs patrol. It's inconceivable that Japan should not be allowed to have a water police, just as she has to have land police. Japan is faced with the considerable

*to please it
in the agenda.*

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problem of guarding her coastal waters, especially against smuggling. If she is to maintain order and to prevent illegal acts in her waters and along her coasts, she must have a maritime safety authority. Of course, it's within our authority to pass another policy decision if we don't like the one that we have already passed or if it turns out to be ineffective or to be contravened by this draft of a law which is before the Japanese Diet.

It seems to me that if there is any further discussion at this time, it should, as the Steering Committee considered, take place in the Steering Committee when there has been some more definite information, if such can be obtained before that time. However, the report is here and we have heard the statements of the three of us.

I might state that I happen to be interested not only from the point of view of our natural concern about anything that happens in Japan but also in connection with how similar problems are handled in other countries. I have some relevant information about the way it is handled in China and the Philippines. I think that most of the countries represented here do have such a coast guard or patrol, in other words, a maritime or water police, and there is nothing in this bill that I can see that contravenes in any way our own policy on the subject. In China, as I remember, this is under the Maritime Customs.

DR. TAN: Yes, we have some kind of water police.

GENERAL McCOY: Well, it covers a wide range, as I remember, just as this bill does--lighthouses, buoys, smuggling, etc.

DR. TAN: Yes, but not with such powerful ships as contemplated in this bill. We do have a kind of water police.

GENERAL McCOY: What do you mean by powerful ships?

DR. TAN: I mean ships of 1,500 tons properly equipped, etc.

Mr. Chairman, our New Zealand colleague just made reference to Article 34 of this draft bill as it is before us, that the bill should be passed before May 1st. Now, in view of certain discrepancies which we have discovered between the original text and the translation, we have consulted the original text on this point and it appears that the article is correct according to the original text.

In view of the shortage of time--today is April 15th and we have only fifteen days or so before us--while I don't want to make a formal proposal, it seems to me and to my delegation that perhaps it is necessary to let the Supreme Commander know what is going on here, and it may be opportune to ask the Japanese Government to wait until we have had an opportunity to discuss this question, because no doubt it is of concern to all of us and of great interest to all of us. As I said, Mr. Chairman, I am not ready to make a formal proposal about it, but I nevertheless desire to express this opinion of the Chinese delegation.

Of course, Mr. Chairman, when we have a bill of this type before us to study, naturally we consider what policy decisions have been passed by this Commission. ^{while} ~~and at the same time that~~ we try to find out whether it is in conflict ^{with} ~~or in contravention of~~ certain policy decisions, we also have to pay attention to the fact that the Far Eastern Commission has a certain jurisdiction, and pursuant to that jurisdiction we may discuss this question and perhaps, if we want--as you said--pass a policy decision. In other words, there are two aspects--existing policy decision is one thing and our general jurisdiction is another.

The Acting Chairman of the Steering Committee has made a very able report on this subject but naturally he cannot repeat everything that was said in the Steering Committee. Take, for instance, Article 19 of this proposed bill, in which it is indicated that the personnel of this "water police", as it is called, may carry arms. In the English translation the word "side" is included in the term "side arms"; but in the original text

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the word "side"--"side arms" or "little arms" or "small arms"--such an adjective is not there. Now, that is a very important point if we recall our discussion of "small arms" in connection with the demilitarization paper. That is just by way of illustrating that this proposed bill does contain a number of provisions which are of extreme interest to us, and it may involve a degree of significance that is really worthwhile for us to pay due attention to.

I would like to cite another example of a question which requires more information. Article 35 makes reference to "ex-naval vessels". Of course, the words "naval vessels" cover a wide range of vessels from small craft to super dreadnaughts, carriers, etc. But we know that all these big ships are destroyed and some of the small ones, after being disarmed, have been divided among the four countries; and some are still to be divided. Now, at the Steering Committee level I had the pleasure of raising this question with a view to getting some information, and your colleague, Dr. Blakeslee, was kind enough to give us a good deal of information. Then we found out, if my memory does not fail me, that the Supreme Commander has turned over a number of those small craft for the use of the Japanese. This is information for all of us. Of course we knew that the Supreme Commander is retaining a number of those small vessels for the use of the occupation, in other words, for use on behalf of not only the United States, as the principal occupying power, but also all of us, for occupation purposes. Now this points to another aspect which is of interest to all of us.

So, Mr. Chairman, I hope that at least we can make it known to the Supreme Commander that we attach a good deal of importance to this question, and that perhaps it would be opportune to arrange with the Japanese Government to hold up this bill for a while pending discussion by the Far Eastern Commission.

As far as any further discussion of this question is concerned, Mr. Chairman, it would be perfectly agreeable to me if it were carried on at the Steering Committee level.

ADM. RAMISHVILI (speaking through an interpreter): Mr. Chairman, first of all I would like to dwell for a while upon the procedural aspect of the question before us and then later pass over to the substance.

As was revealed in discussions at the Steering Committee level and here, the contents of this bill are very important and affect the interests of all nations represented here. The contents of this bill directly affect the jurisdiction of the Far Eastern Commission and, in particular, the policy decision of the Commission on the disarmament of Japan. We would be justified, Mr. Chairman, in expecting that the Far Eastern Commission would have been informed of the introduction of this bill, so that the Far Eastern Commission as a body formulating policies would have had sufficient time to discuss the matter and express its opinion.

In the meantime, the history of this bill has been developing under somewhat strange circumstances, which up to now I have been unable to understand. As follows from what you said, Mr. Chairman, the bill was discussed in detail as early as March 21 of this year in the Supreme Commander's Headquarters. In the meantime, we ourselves learned of the existence of this bill only from the newspapers. The Chairman further stated that as soon as the existence of this bill was known the Secretariat of the Commission undertook to circulate the text of this bill to the members of the Commission. I am not prepared to attribute merit to the Secretariat in the circulation of this bill to the Commission on their own initiative, since this was done only after the Soviet delegation made a request at the meeting of the Steering Committee.

This question was debated in two meetings of the Steering Committee--on the 6th and 13th of April. There are many grounds for presuming that, at least from the 8th of April, the United States delegation on the Far Eastern Commission has been in contact with the Supreme Commander on this matter and that the United States delegation has been posted as to what was the status of this bill. My expectation this morning was that the Chairman of the Commission would give us some additional information as to the status of this bill. But, unfortunately, this information has not been forthcoming.

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According to information which certainly deserves full confidence, this bill was passed in the Japanese Diet on the 5th of April, that is to say, while we have discussed this bill on the 6th of April, on the 13th of this month, and again this morning, we should bear in mind that the bill was already passed on the 5th of this month. I don't think there is any ground to presume that this fact of the bill's having passed was not known to the United States delegation, at least on the 13th of April under, of course, normal circumstances. I don't think I have to elaborate further as to how abnormal such a state of things should seem. I am sure that the members of this Commission share my opinion that such occurrences quite disrupt the normal course of the work of this Commission.

Now, the second point I want to develop here is the substance of this question. I don't think there is any necessity to prove further that this bill has a direct bearing on the jurisdiction of the Far Eastern Commission and is related to the questions which are discussed by the Commission. And I think that as that is so, it should have been clear to anyone who might have learned of the existence of this bill that he should have informed the Commission about it.

I would like to point out one thing which will indicate that even if the bill has been adopted we should not let this question pass by. The point I want to make is the question of the vessels themselves and the personnel who serve on these vessels.

Article 4 of this bill allows the displacement of these vessels to be 1,500 tons with a speed of 15 knots. There is no provision, however, in the bill as to the armament of these vessels, except that the personnel of these vessels could be armed and could use their arms when performing their duties. The lack of any indication as to the armament of these vessels and their personnel, that is to say, the type and quantity of armament, and also the special equipment of these vessels, such as communications equipment, navigational, and trawling equipment, etc., makes one understand that the bill contains no restrictions in this respect. An indirect confirmation of this fact is the wording of Article 4 which provides that these vessels should conform to certain specifications as to their construction and equipment. If one judges by the functions of the vessels as defined in Article 7, such as patrolling the coastal area, the prevention of smuggling and crimes, the maintenance of aids to navigation, salvage on the seas, and pilots' service, one can come to a conclusion that these ships would differ very little in their construction and equipment from normal naval vessels of such types as gunboats, trawlers, and destroyers. The construction, possession and use of such vessels contravenes the decision of the Far Eastern Commission in the document FEC-014/9, the Basic Post-Surrender Policy for Japan, Part III, Article 1, and Part IV, Article 2. It also contravenes document FEC-017/20, Prohibition of Military Activity in Japan and Disposition of Japanese Military Equipment, Articles 3 and 5.

According to information from the Japanese press, the ships are going to be armed with 3-inch guns. Now, the next question that draws keen attention is the question of personnel for these vessels. Article 3 provides for 10,000 people for service in the Department and on vessels. The preparation and training of this personnel is typical for the personnel of a navy, judging by the character of service of the ships to which I referred before. Since the bill has no clear indication as to the method of recruiting and training this personnel, this could give the Japanese ground to recruit former naval officers and personnel for these ships and thus maintain the naval and special training of the naval personnel.

Articles 8 and 9 provide for hydrographic maps to be made and for the construction of special navigational equipment. All this would allow the Japanese to carry out the preparation of a naval theater and personnel for military purposes.

Articles 17 and 18 give the Japanese officials of the department which is being created very broad controlling functions, which go beyond the limits of the usual functions of such character, which are unpermissible if one takes into consideration the fact that Japan is a defeated, aggressive country with which no peace treaty has yet been concluded,

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The facts to which I have referred, which are not exhaustive, are sufficient to confirm that the carrying out of the new law on the Maritime Safety Board gives the Japanese an opportunity to create in a disguised form the nucleus of a future navy and carry out the preparation of navy personnel under the guise of performing peaceful functions, which is in contravention with paragraph 14 of FEC-017/20, which reads:

"All measure should be undertaken to prevent any revival of the Japanese army, navy, gendarm' secret police and their administrative organs."

I regret that I have taken so much time, Mr. Chairman, but I simply wanted to stress the basic aspects of this question from which it follows that we should not let this matter pass, regardless of whether or not this bill has been passed by the Diet.

GENERAL McCOY: Are there any further questions or matters of concern on the part of other members of the Commission?

MR. GRAVES: Mr. Chairman, in the early part of the Soviet representative's statement he referred to the passing of the bill on the 5th of April. Is it his information that the bill was in fact passed through both houses on that date and has been enacted?

GENERAL McCOY: I think our Soviet colleague possibly misunderstood the information that I gave. This bill was probably introduced into the Diet, at least on committee level, on March 21st. A copy of the bill was sent from Tokyo on April 1st and reached Washington on April 9th and was promptly circulated to the Far Eastern Commission. This was the first copy of the bill to reach any department of the United States Government in Washington. I might add the assurance that no department of my Government knew anything about it until it was first broached here as a result of the newspaper article and prompt inquiry was made from here, following the presentation of the paper in the Committee, to get information, and I have given that information to you as fully as we have it.

I don't think other members of this Commission share the points that were stated by way of insinuation, and I don't care to take issue with them here, other than to make my own statement perfectly positive and clear. May I ask what the Soviet representative would do in a position of responsible authority representing the eleven Powers here, to exercise the police power in the adjacent waters of Japan to carry out the manifold duties of such a service, which has heretofore been carried out by a similar organization under the supervision of the United States Navy? And, I might add here that of all the naval services represented in the Far Eastern waters, certainly the United States Navy is most concerned about any reconstitution of any Japanese naval power and will be very conscious of anything done that would have that effect.

Well, these matters are before you, Gentlemen, and before the Steering Committee for discussion of all these details, as more information is furnished. I could give you particular items of information at this time, but I think it is better under the circumstances to give them in the Committee where the Committee itself has desired that they should be discussed.

ADMIRAL RAMISHVILI: Mr. Chairman, I feel that I should answer your questions. I am positive that my statement did not contain any insinuations whatever. I simply wanted to mention, and I repeat it now, the fact that this bill was being discussed in the Japanese Diet while the Far Eastern Commission here did not know anything about it, a most abnormal situation. From the statement of the Chairman I didn't learn that this situation is normal, except that he mentioned that nobody knew of the existence of this bill.

With regard to the inappropriate questions as to what the Soviet representative would have done had he been the Supreme Commander, I don't think there is any necessity to answer such questions, and I don't think we should draw the attention of members of this Commission by introducing personal questions.

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GENERAL McCOY: Well, this has all been very speculative. But the Supreme Commander has the Commission's policy on the policing of Japan both on land and sea, and I am quite sure that he will scrupulously see that this bill is in accordance with the policy of this Commission, which I think is a very wise paper and covers the case. Should there be any contravention of that policy, certainly this Commission has the right to review the situation. But in the meantime every point that was brought up is speculative while the bill is under consideration. A draft of the bill is before the Diet, and those of us who are accustomed to governmental action on a bill can't foresee from a first draft what the bill will be like when it is finally passed. It's completely in the realm of speculation.

So, as I say, I don't want to take issue with all these statements. I am sure that the Soviet representative didn't mean what he stated, that the bill has been passed, a point he mentioned several times. Of course, the bill has not been passed. It has been brought first to the attention of the Diet, then, presumable to the Supreme Commander or his staff, and now, in its original draft, to us. It came in a perfectly routine way and was circulated for information to this Commission immediately upon its receipt.

ADMIRAL RAMISHVILI: Mr. Chairman, I must reply to the questions put by you in regard to the jurisdiction of the Far Eastern Commission and the Supreme Commander. I myself did not want to raise this question of the jurisdiction of the Supreme Commander. The function of the Supreme Commander for the Allied Powers is to see to it that the decisions of the Far Eastern Commission are carried out, and, as Supreme Commander for the Allied Powers, he should see to it that the Terms of Surrender are carried out. My statement ~~before~~ did not contain anything to the effect that they were not being carried out. But from the statement of the Chairman, one can understand that since these duties - to carry out decisions of the Far Eastern Commission - rest with the Supreme Commander then the Far Eastern Commission must do nothing, i.e., if the Supreme Commander is the executive authority he alone can pass his judgment on any question. My view is that the Far Eastern Commission has a full right to pass its decision or judgment on any question regardless of whether such question is being carried out or not by the Supreme Commander in Japan.

It is unfortunate that any attempt to emphasize the authority and jurisdiction of the Far Eastern Commission should be considered as an infringement upon the authority of the Supreme Commander.

For the sake of clarity, Mr. Chairman, with regard to your statement to the effect that bill had not been passed, I for one - I don't know, of course, what other members of this Commission may think - take note of this statement; but our own information is different, and I felt it my duty to let the Commission know. Therefore, I categorically deny the qualification given by the Chairman to the information that I offered in referring to it as "speculation".

Thank you, Mr. Chairman.

GENERAL McCOY: Are there any other statement to be made on this question by other members of the Commission? There seem to be none.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/5, 300 series)

GENERAL McCOY said that he was now in a position to submit a proposed substitute for the proposed policy shown in FEC-300/3. He distributed typewritten copies of the proposal to representatives and suggested that further consideration be postponed to enable them to study it. (Proposal subsequently circulated as FEC-300/6)

Without objection, further consideration of this subject was postponed.

FEC-CONFIDENTIALITEM 4 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19, SC-245/16)

Without objection, further consideration of this subject was postponed.

ITEM 5 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, FFC-298/1, FEC-298/2)

GENERAL McCOY said that the statement made by the Soviet representative at the last meeting of the Commission (page 3, Minutes, 101st FEC Meeting; circulated as FEC-298/2) had been brought to the attention of the United States Government.

Without objection, further consideration of this subject was postponed.

ITEM 6 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Without objection, further consideration of this subject was postponed.

ITEM 7 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS (FEC-201/1)

GENERAL McCOY asked whether the Soviet representative still desired this subject retained on the agenda. ADMIRAL RAMISHVILI replied in the affirmative.

Without objection, further consideration of this subject was postponed.

ITEM 8 - OTHER BUSINESSa. Statement by Australian Representative Regarding Message from the Supreme Commander to the Secretary of the Army.

MR. MAKIN presented the following formal statement:

"Mr. Chairman, I should like to draw attention to a message from SCAP to the Secretary of the Army which was released to the press in Japan on 31 March. This message was also presented during the hearings of the House Appropriations Committee, which have now been published.

"It is very disturbing to my Government that publicity should have been given to a message of this nature, and I am directed by my Government to state that publication of such a message in Japan is unfortunate for other Governments which share responsibility for the control and occupation of Japan.

"The message itself is a long one, and if the Secretariat does not already have a copy, I should be pleased to make one available for circulation to the Far Eastern Commission. I should like to quote the following passage from SCAP's statement:

"We should, while progress towards the restoration of formal peace is stalemated, unilaterally or with other Allied Governments similarly inclined, release, as far as possible, existing restrictions upon trade and commerce, and restore to normal limits of diplomatic privilege the right of the Japanese citizenry to journey abroad and mingle with that of other lands

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to study and absorb culture and scientific advances made since the advent of war and generally to be reendowed with freedom of action in the solution of their own internal problems in the safeguard of their domestic welfare.'

"In no part of this lengthy message from SCAP is there any reference to the Far Eastern Commission or acknowledgment in any way of the Far Eastern Commission's responsibility for the making of policy for Japan. On the contrary, SCAP advocates unilateral action by the United States if other Allied Governments are not agreeable to relaxing restrictions on Japanese trade and commerce, and allowing the Japanese citizens to travel freely abroad.

"I am directed by my Government to express the deep concern felt by the Australian Government at the implications of the Supreme Commander's recommendations. My Government sincerely hopes that these recommendations of the Supreme Commander do not fore-shadow any move by the United States Government to disregard the opinions of the Far Eastern Commission on such matters of fundamental policy."

(The communication from the Supreme Commander to the United States Department of the Army was circulated by the Secretariat on 15 April as Appendix "A" of MI-CO1/121, the 121st Weekly Report on Japan from the Civil Affairs Division of the United States Army Department)

MR. POWLES associated himself with the statement by the Australian representative. The New Zealand Government felt that the statement by the Supreme Commander contained disturbing implications.

The meeting adjourned at 12:05 P.M.

COPY NO. 193FEC-CONFIDENTIALPROVISIONAL MINUTES-103RD FEC MTG.22 April 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred Third Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N. W.,
Washington, D. C.
22 April 1948, 10:30 A.M.

REPRESENTATIVES PRESENT

Major General Frank R. McCoy (United States) (Chairman)
His Excellency Mr. N. J. O. Makin (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
Mr. P. Guerin (France)
Mr. S. N. Banerji (India)
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
Rear Admiral S. S. Ramishvili (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

SECRETARY GENERAL

Mr. Nelson T. Johnson

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

Provisional Minutes, 103rd FEC Meeting

SUMMARY--FECFEC--CONFIDENTIALSUMMARY - 103rd FEC Mtg.22 April 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 103rd MEETINGREMARKS BY CHAIRMAN ON DEATH OF PRESIDENT MANUEL A. ROXAS OF THE PHILIPPINE REPUBLIC

General McCoy opened the meeting with an expression of condolence on the death of President Roxas.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED SECOND MEETING

Corrected. Approval postponed.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3; FEC-300/6, 300 series)

Postponed.

ITEM 3 - JAPANESE COASTAL PATROL (FEC-305/7; 305 series)

New Zealand and Australian statements. FEC-305/7 referred to the Steering Committee.

ITEM 4 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19, SC-245/16)

Postponed.

ITEM 5 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, FEC-298/1, FEC-298/2)

Postponed.

ITEM 6 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Postponed.

ITEM 7 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS (FEC-201/1)

Removed from agenda, with cognizance taken of Soviet reservation regarding possible later consideration.

ITEM 8 - OTHER BUSINESS

a Statement by Soviet representative regarding message from SCAP to U. S. Department of Army.

b. Statement by Soviet representative on Treatment of Japanese Assets in Neutral Countries (FEC-295)

ITEM 9 - PRESS RELEASE

None.

Summary--Minutes, 103rd FEC Meeting

COPY NO. 133

29 April 1948

FEC-CONFIDENTIALRECORD OF APPROVAL OF THEMINUTES OF THE 103RD FEC MTG.FAR EASTERN COMMISSIONRECORD OF APPROVALMINUTES OF THE ONE HUNDRED AND THIRD MEETING OF THEFAR EASTERN COMMISSIONNote by the Secretary General

1. The Far Eastern Commission, at its one hundred and fourth meeting, 29 April 1948, approved the provisional minutes of its one hundred and third meeting with the following correction:

Page 1 - immediately following General McCoy's remarks on the death of President Manuel A. Roxas, insert the following reply made by Mr. Jovellanos:

"MR. JOVELLANOS expressed his gratitude, as well as the gratitude of the Philippine people for the kind tribute paid to the late President of the Philippine Republic. He said that such a tribute would be treasured as much as the memory and the ideals of President Roxas would be revered."

2. Representatives are requested to incorporate the above correction in their file copies of the provisional minutes of the one hundred and third meeting of the Far Eastern Commission, and to attach this formal record of approval to those copies as corrected.

3. The attention of all concerned is invited to the classification of this document which prohibits the dissemination of any information contained therein to unauthorized persons or to the press.

NELSON T. JOHNSON
Secretary General

Record of Approval of Minutes
of the 103rd Meeting of the
Far Eastern Commission

FEC--CONFIDENTIALREMARKS OF THE CHAIRMAN ON THE DEATH OF PRESIDENT MANUEL A. ROXAS,
PRESIDENT OF THE PHILIPPINE REPUBLIC

GENERAL McCOY opened the meeting with remarks regarding the death of President Roxas. These remarks are recorded verbatim as follows:

"In declaring the session open, I would like to rise to personal privilege and speak in a very feeling way of the tragic death of the President of the Philippines, General Roxas.

"I knew him from his early days, and knew his family. Even as a very young man he was outstanding in character, personality, and charm. That was twenty-seven or twenty-eight years ago; and it has been of great interest to me to see him develop as a political leader and as one of our most valued Allies--not everywhere understood perhaps, but definitely understood by those of us who realized what was happening in the Philippines during the war. And so I wish to take this opportunity of making of record before this Commission my happy memory of a great leader and a distinguished man in the Far East. He will go down in Philippine history, I am sure, with the founders of that Republic whom we personally remember--one of whom, a worthy colleague, Mr. Sergio Osmena, is still living in the Philippines.

"To the Representative of the Philippines may I express my deep sympathy, interest and concern, in which I am sure all of my colleagues join me."

See Record of approval
ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE
ONE HUNDRED SECOND MEETING

MR. JOHNSON drew attention to the following amendments, requested by the Soviet delegation:

Page 2 - second paragraph, penultimate line, delete the word "it" following the word "proposed" and insert the phrase "to place it on the agenda".

Page 5 - third line from bottom of page, delete the word "if" at the end of the line.

Page 7 - third paragraph, eighth line, delete the word "before".

GENERAL McCOY said that he was not certain as to the effect of the changes in the minutes desired by the Soviet representative. He might desire, after reading these changes, to make changes in his own remarks.

DR. KOO requested the following changes on page 3 of the minutes:

Seventh paragraph, delete the word "a" and change the word "ship" to "ships" making the sentence read "I mean ships of 1,500 tonnage....."

Penultimate paragraph, change beginning of second sentence to read "While we try to find out whether it is in conflict with certain policy decisions....."

Without objection, it was agreed to postpone final approval of the minutes of the one hundred second meeting until the next meeting in order to afford the Chairman opportunity to study the effect of the amendments requested by the Soviet representative.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3; FEC-300/6, 300 series)

MR. POWLES pointed out that the United States substitute proposal, FEC-300/6, had been submitted to the Commission only the preceding week. There had not been adequate time for study of this substitute and he desired that consideration be postponed.

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Without objection, further consideration of this subject was postponed.

ITEM 3 - JAPANESE COASTAL PATROL (FEC-305/7; 305 series)

MR. POWLES presented the following formal statement:

"In the view of the New Zealand Government, two serious issues are involved in this question. The first issue is related to the disarmament of Japan, and the second issue is related to the resumption by the Japanese Government of certain rights affecting the contacts between the Japanese and foreign nationals. I do not suppose that any member of the Far Eastern Commission could deny that each of the countries represented round this table is intimately and seriously concerned with each of these two important issues. The disarmament of Japan has been a matter of most prolonged and careful consideration by the Commission and its various organs until only a month or two ago, at which time the Far Eastern Commission passed a policy upon the disarmament of Japan. The resumption by the Japanese Government of rights affecting foreign nationals is one which touches intimately upon a sphere most of us for a long time were prepared to regard as coming within any proposed Japanese Peace Treaty.

"As far as concerns the disarmament issue, it seems clear that the proposed establishment by the Japanese of a Maritime Safety Board which will include provisions for an armed coastal patrol must be very closely examined to ascertain, in the first place, whether any breach of the Far Eastern Commission's policy on disarmament is contemplated or is even possible under the provisions of the law, and in the second place, whether it would not be appropriate for the Far Eastern Commission itself to authorize, under appropriate safeguards, the establishment of what coastal patrol might be deemed necessary.

"I will not refer in detail to all the various matters which were discussed at the last meeting of the Steering Committee, but propose to refer to one matter of paramount importance; that is the question of the arming of these vessels. According to the statement made by the United States representative at the last meeting of the Commission, there is no substance to the allegation that the patrol vessels will be armed and the Bill does not provide for the arming of Maritime Safety Board ships. It is undoubtedly true that the Bill is silent on the specific question as to whether or not these ships should be armed, but on the other hand I must point out that under Article 4 of the Bill the vessels 'shall be vessels suitable in construction, equipment and ability for the maintenance of navigational aids, the prevention of smuggling, the rendering of assistance to distressed mariners and the preservation of life and property from shipwreck'. I fail to see how a vessel can be said to be suitably equipped for the prevention of smuggling unless it is armed in some way. Article 18 empowers a Maritime Safety official to make a vessel stop or to deviate from her predetermined route, or to make the crew and passengers disembark. It is again difficult to see how a vessel can be suitably equipped for this purpose without being armed. Consequently the Bill appears to contemplate a breach by the Japanese of the provisions of the Far Eastern Commission's disarmament policy.

"On the question of the rights of the Japanese Government, the Bill refers to the exercise by the Maritime Safety Authority of rights in coastal waters on the high seas adjacent to Japan, and Article 2 refers to the prevention and suppression of crime at sea and the detection and arrest of criminals at sea. Article 17 gives the Maritime Safety officials the right of inspection and search of other vessels, including their crews and passengers. The statement of the United States representative of the Steering Committee at the last Committee meeting was to the effect that the authority of the Maritime Safety Board to make arrests, searches and seizures is under the supervision of and subject to the final approval of the Supreme Commander. There is nothing in the Bill to this effect, and I am not aware of any directive or other instruction which would formally place the Japanese under such an obligation.

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"I am therefore instructed by my Government to invite the Far Eastern Commission to take such steps as will effectively secure the suspension of the operation of the Bill pending its detailed study by the Commission. My Government was most disturbed that there should even have been a possibility of the Bill being passed before the Commission could have had an opportunity to consider the serious principles involved. Now that the Bill has been passed, my Government feels that it is even more necessary that the Far Eastern Commission should exercise its admitted responsibility in the matter and examine the whole scheme proposed and its necessary implications.

"My Government did not believe that the enactment of the Bill was a matter of extreme urgency, and all the more now that the Bill has been passed, my Government is completely unconvinced that it is urgently necessary to put it into operation until such time as the members of the Far Eastern Commission have had an opportunity of considering it.

"That there is no urgency is indicated by the statement made by the United States member at the last meeting of the Steering Committee, in which he said that the legislation was enacted pursuant to long and detailed study concurred in by the Supreme Commander, but did not have the character of an urgent measure. It is difficult to avoid the conclusion that this long and detailed study must have been taking place in Japan during at least part of the time in which the Far Eastern Commission itself was considering and discussing the disarmament policy which was passed a little while ago. If it had then been considered by the Supreme Commander advisable that a coastal patrol be established, and if such proposal had then been made to the Far Eastern Commission, my Government would have been willing to agree to the insertion in the disarmament policy of suitable clauses permitting the establishment of such a patrol. That no such initiative was then taken by the United States Government is a further indication that the matter cannot be regarded as urgent.

"On the substance of the issue involved, I may say again as I have said before, that the New Zealand Government is not opposed to a coastal patrol service being established at any time if need is shown to exist. Such a patrol service would, however, need to be established under conditions which would be clear and definite in prescribing the limit of the arms and armament and of the authority of the Japanese to use force upon foreign vessels. It is clearly possible to frame adequate provisions in this respect, and it is, in the opinion of my Government, clearly the duty and the responsibility of the Far Eastern Commission to concern itself with such provisions, if and when it should be satisfied that the establishment of a coastal patrol is necessary.

"In conclusion, I may say that in the considered view of the New Zealand Government, the Far Eastern Commission, in the proper exercise of its Terms of Reference and in justice to the interests of all of its members, interested as they are in the preservation of peace in the Pacific, should insist on its authority, particularly in matters touching disarmament; and consequently my Government urges that the most serious and urgent attention be paid to the policy proposal which is before you this morning."

MR. MAKIN said that he wished to express support for the statement just made by the New Zealand representative. He also desired to present the following statement on behalf of his own Government:

"My Government has instructed me to protest that this bill which is at variance with Far Eastern Commission basic policy, Part 3, paragraph 1, and the Disarmament Policy has been permitted to be presented to the Japanese Diet with the cognizance of SCAP.

"It is a question of direct implementation of policy and the Allied Control Council for Japan should have been consulted.

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"We regard it as a matter of urgency that the publication of the ordinance making this bill law should be delayed pending consideration by the Far Eastern Commission.

"When a detailed discussion of this bill takes place my delegation will be prepared to suggest revisions to the bill which would bring it into line with Far Eastern Commission policies.

"Notwithstanding assurances by the Supreme Commander that the vessels will be unarmed, my Government considers the legislation sufficiently important to be closely scrutinized by the Far Eastern Commission before becoming law. It is necessary to have specific limitations in the bill as to armament and tonnage."

GENERAL McCOY said that the statements submitted by the New Zealand and Australian representatives would of course require further study and he suggested that the proposal on the Japanese Coastal Patrol be referred, together with the statements, to the Steering Committee for consideration in conjunction with the Maritime Safety Authorities Bill, which was already on the Steering Committee's agenda.

MR. POWLES said that he could agree with the procedural suggestion made by General McCoy. He wished, however, to emphasize the urgency which he felt in connection with this matter. The Commission was unaware of what was occurring in Japan and it should be borne in mind that if the bill had been passed in the same form as the draft before the Steering Committee, the Cabinet Order putting it into effect would have to be issued not later than 1 May 1948. It was desirable therefore that some steps be taken in Japan to delay the issuance of such a Cabinet Order. It would be most unfortunate if the Commission's consideration of the subject had to be compressed into approximately one week's time. If there were no assurance that the course of events in Japan was proceeding at a more leisurely pace than would be necessary under the 1 May deadline, the Steering Committee should be urged to decide upon its recommendations at its next meeting so that the Commission could hold a special meeting immediately thereafter. In any event, he would support the present suggestion that the subject be referred to the Steering Committee. Perhaps at the next meeting of the Steering Committee, some information of a reassuring nature would be heard.

MR. COLLINS supported the procedural suggestion. He requested the United States delegation to ascertain whether the text of the Maritime Safety Authorities Bill had been altered before its adoption.

MR. MAKIN supported Mr. Collins' request. He considered it of the utmost importance that the Commission know the contents of the bill at the time of passage.

DR. KOO said that it was particularly important to ascertain whether the deadline of 1 May had been postponed and, if it had not been, to know what possibility there might be of arranging such a postponement.

ADMIRAL RAMISHVILI said that the New Zealand statement of course deserved careful study and thorough consideration. He was not at present prepared to give a detailed opinion on the statement, but he would do so later. As he had understood the main points in the statement, he could support it in principle.

The Soviet delegation considered that the Maritime Safety Authorities Bill in the form which was before the Steering Committee was in violation of the policy decision on Prohibition of Military Activity in Japan and Disposition of the Japanese Military Equipment (FEC-017/20). With regard to the immediate steps to be taken, he agreed with the New Zealand representative. Without at this time making any formal suggestion of amendment of the New Zealand proposal, he wished to point out that in the opinion of the Soviet delegation, the Commission should take action to suspend promulgation of the newly adopted law until the Commission had adopted a policy decision. In order that the Commission might fulfill its task of considering the subject, it was of course necessary that it have the actual text of the law as approved.

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ADMIRAL RAMISHVILI said that the Soviet delegation regarded the following provisions of the law as among the most important ones for consideration with a view to adopting a Commission policy decision:

- (a) Armament, tonnage, speed, and other characteristics of the vessels to be used;
- (b) Provisions as to the recruiting of personnel;
- (c) Provisions relating to the installment of various types of equipment for navigation in Japanese coastal waters;
- (d) Rules and regulations governing the search of foreign vessels.

ADMIRAL RAMISHVILI emphasized that the foregoing were not intended to comprise a definitive list of topics which should be considered but were, for the time being, felt to be among the most important topics.

GENERAL McCOY said that the United States delegation would make every effort to get as much as possible of the information requested by the time of the next meeting of the Steering Committee. He had been informed that a copy of the text of the law as passed by the Diet had been sent, presumably on the preceding Monday, by air mail to Washington. It was hoped that this text would be received within the next few days.

Without objection, FEC-305/7 was referred to the Steering Committee for consideration in the light of the foregoing discussion.

ITEM 4 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19, SC-245/16)

Without objection, further discussion of this subject was postponed.

ITEM 5 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, FEC-298/1, FEC-298/2)

ADMIRAL RAMISHVILI asked concerning the general consensus as to the United States suggestion that this subject be removed from the agenda.

GENERAL McCOY pointed out that since the suggestion to remove the subject from the agenda, there had been an additional statement (page 3, Minutes, 101st FEC Mtg; circulated as FEC-298/2) submitted by the Soviet delegation. This statement had been brought to the attention of the United States Government, but no reply had as yet been forthcoming.

Without objection, further consideration of this subject was postponed.

ITEM 6 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Without objection, further consideration of this subject was postponed.

ITEM 7 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS (FEC-201/1)

ADMIRAL RAMISHVILI presented the following formal statement:

"Since the fulfillment of the advance transfers from Japanese reparations practically is already being completed under the United States Government's Directive, FEC-216/1 of April 1947, the delegation of the Soviet Union does not insist on keeping FEC-201/1 on the agenda of the Commission.

"However, the delegation of the Soviet Union deems it necessary to state that the Soviet side continues to consider the issuance by the United States Government, in by-passing the Far Eastern Commission, of the above directive as a unilateral act having no legal standing, and reserves its right to return to this question again at an appropriate time."

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GENERAL McCOY said that with cognizance taken of the reservation maintained by the Soviet delegation, this subject would be removed from the agenda for the time being.

ITEM 8 - OTHER BUSINESS

a Statement by the Soviet Representative regarding Message from the Supreme Commander to the Secretary of War

ADMIRAL RAMISHVILI referred to the statement which had been presented by the Australian representative (page 8, Minutes, 102nd FEC Mtg.) regarding a message from the Supreme Commander to the United States Department of the Army. He presented the following formal statement:

"In connection with the publication of the communication of the Supreme Commander for the Allied Powers dated 18 January, 1948, regarding the question of further policy of the U.S.A. towards Japan, the Soviet delegation observes that the above step of the Supreme Commander is an unlawful attempt to interfere with the sphere of policy questions on which the right of decision belongs exclusively to the Far Eastern Commission as the sole Allied body called to formulate policies, principles, and standards in conformity with which the fulfillment by Japan of its obligations under the Terms of Surrender may be accomplished.

"The Soviet delegation reserves its right to return to this question after a more detailed study of the communication of the Supreme Commander."

b Statement by Soviet Representative on Treatment of Japanese Assets in Neutral Countries (FEC-295)

ADMIRAL RAMISHVILI presented the following formal statement (subsequently circulated as FEC-295/1):

"The Soviet delegation considers it necessary to make the following statement regarding Document FEC-295.

"FEC-295 was included in the agenda of Committee No. 1 on 11 February 1948 without prior consideration of this document by the Far Eastern Commission although it was perfectly clear that a consideration of this question could not take place without prior agreement for this on the part of the appropriate countries in accordance with paragraph II-A-3 of the Terms of Reference of the Far Eastern Commission.

"At the meeting of Committee No. 1 on 25 February the Soviet member presented the opinion of his Government that the question of treatment of Japanese assets in neutral countries was beyond the jurisdiction of the Far Eastern Commission and that it should be considered by the Council of Foreign Ministers or by the Peace Conference for Japan. Following these considerations he proposed to take FEC-295 off from discussion.

"After this proposal by the Soviet side in Committee No. 1, the Committee, in violation of all normal procedure, at subsequent meetings engaged in the discussion of the question whether FEC-295 belonged or not to the jurisdiction of the Far Eastern Commission, which discussion evidently does not come within the functions of any of the Far Eastern Commission committees. Nevertheless, exceeding its own authority Committee No. 1 at its meeting on 21 April concluded, by way of polling the opinions, that FEC-295 belonged to the jurisdiction of the Commission, and by a majority vote the Committee referred the said paper for consideration of its subcommittee.

"In making note of the above-mentioned action of Committee No. 1, which action has no legal standing and which exceeds the authority of the Committee and contravenes the Terms of Reference of the Far Eastern Commission, the Soviet delegation once again brings to the knowledge

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of the Commission the opinion of its Government on Document FEC-295, viz:

"It is the view of the Soviet Government, that the question of treatment of Japanese assets in neutral countries is beyond the jurisdiction of the Far Eastern Commission and that this question should be considered by the Council of Foreign Ministers or by the Peace Conference for Japan."

Following a brief recess for purposes of consultation, GENERAL McCOY said that he understood that FEC-295 was at present being considered by a subcommittee of Committee No. 1: Reparations. He requested Dr. van Gulik, Chairman of Committee No. 1, to give some information regarding the Committee's handling of FEC-295.

DR. VAN GULIK said that he welcomed an opportunity to offer remarks on this matter since there were parts of the Soviet statement which might be construed as criticism of the Committee's action.

DR. VAN GULIK said that in the statement just made by the Soviet representative regarding the way in which this paper was dealt with when it first came to the Committee's table, the facts were treated rather cursorily; he thought, therefore, that the Commission should be apprised of some further facts. In the first discussions of the paper on 11 February 1948, the Soviet member had stated that in his opinion the Commission was not empowered to discuss the topic, and he had proposed that it be dropped from the agenda. On 17 March 1948 the Soviet views and a ruling by himself as Chairman were recorded in the minutes of Committee No. 1 as follows (page 6, Minutes, 152d Mtg.):

"If the Committee was unable to agree to drop the item from its agenda, it would perhaps be advisable to refer the problem of jurisdiction to the Far Eastern Commission for decision. If the Far Eastern Commission approved, the Committee No. 1 could discuss it. On the other hand, it might be preferable to permit the Chairman of the Committee to decide whether or not to refer the paper to the Commission. The Netherlands member said that he would be glad to rule in this instance if there were no objections from other members to his doing so. There were no objections from other members and the Chairman thereupon ruled that the paper be held in the Committee for the further views of members."

DR. VAN GULIK said that at the time of making this ruling as Chairman of Committee No. 1 he had not been under instructions in his capacity as Netherlands member of the Committee and so had ruled quite without reference to any Netherlands views. However, since he had been asked to rule in the matter, he had made a ruling which seemed to be in accordance with the majority opinion.

For several meetings after this ruling, Committee No. 1 had devoted its attention to other matters. There had been brief consideration of the subject, however, on 14 April, when the United States member had stated, as recorded in the minutes of that meeting:

"His Government considered this item to be a matter of some urgency and he expressed the hope that members would not let the item lapse through failure to act upon it at the earliest possible date."

The Soviet member had remarked at the same meeting:

"The Soviet member reminded the Committee that it was his Government's view that a question of treatment of Japanese assets in neutral countries was one to be decided by either the Council of Foreign Ministers or in the Peace Conference for Japan. His delegation had accordingly proposed that the item be dropped from the Committee's agenda. His Government did not feel that the matter was an urgent one."

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Committee No. 1 had next considered the subject at its last meeting on 21 April 1948, and DR. VAN GULIK said that his previous impression, that the majority of members favored retention of the item on the agenda, was fully confirmed by this latest discussion. There had been a proposal to refer the subject to a subcommittee of Committee No. 1 and this proposal had been favored by a vote of 10 to 1, with the Soviet member opposed.

DR. VAN GULIK said that in accordance with his conception of his duty as Chairman of the Committee, he had always made every effort to afford ample opportunity for expression of minority views. Accordingly, when he had found the Soviet member in dissent, he had invited him to make a full expression of his point of view, and the Soviet member had again said that the Commission was not empowered to deal with the problem involved and had desired his statement to be included in the minutes and be brought to the attention of the Chairman of the Commission. DR. VAN GULIK said that he had, in fact, in an effort to ensure full expression of the Soviet view in this case, suggested verbal improvements in the statement of protest which was lodged by the Soviet member and which the Soviet member accepted. Furthermore, although he assumed, of course, that the Chairman of the Commission took cognizance of the minutes of committees, he had agreed to draw the special attention of the Chairman of the Commission to the Soviet statement.

At the request of Admiral Ramishvili, MR. KOROBOCHKIN, the Soviet member of Committee No. 1, summarized the Soviet position in this matter. He said that when the question had first arisen in Committee No. 1 he had drawn the attention of the Committee to the abnormality of introducing a paper into Committee No. 1 without prior consideration by the Commission itself. He had also stated the Soviet views on the question of Japanese external assets and had pointed out that this question had previously been on the agenda of the Commission but had been removed from the agenda. He had expressed the strong view that before the matter could be presented for discussion in Committee No. 1, it should be discussed in the Commission itself.

At a later meeting, MR. KOROBOCHKIN had reiterated the Soviet position on external assets and had suggested that FEC-295 be removed from the agenda. Other members of Committee No. 1 had expressed the view that the subject could be discussed under the authority of Paragraph II-A-3 of the Terms of Reference which listed among the functions of the Far Eastern Commission the consideration of "...such other matters as may be assigned to it by agreement among the participating governments reached in accordance with the voting procedure provided for in Article V - 2, hereunder". He had not denied that if the required consent of the appropriate governments were obtained, then the subject could indeed be discussed.

MR. KOROBOCHKIN said that further discussion of the matter had revealed opinions held by some members of Committee No. 1 to the effect that the question of whether or not the subject was within the jurisdiction of the Commission could be decided within Committee No. 1 itself. At one of the Committee's meetings, the Chairman, who, incidentally, had read only one part, and not the major part of Mr. Korobochkin's statements, had polled members as to whether in their opinion the subject was within the Commission's jurisdiction. MR. KOROBOCHKIN had consistently emphasized that the Committee was not empowered to discuss the question of whether a subject lay within the jurisdiction of the Commission, since such a discussion was a function of the Commission itself. He also had repeatedly pointed out that such an action of Committee No. 1 would violate Article II-A, 3 of the Terms of Reference of the Commission. In spite of this, at its last meeting the Committee had decided to refer FEC-295 to a subcommittee. MR. KOROBOCHKIN said that in his opinion, such a decision represented a serious violation of the Terms of Reference of the Commission, and he had therefore lodged a protest and had requested that the Chairman of the Commission be informed of the action taken by Committee No. 1.

MR. GRAVES submitted the following formal motion:

"In the opinion of this Commission, the subject treated in FEC-295 is properly before Committee No. 1."

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GENERAL McCOY asked whether other representatives were prepared to discuss this subject at the present meeting or would prefer to keep the subject on the agenda and thereby afford time for thorough consideration.

MR. MAKIN suggested that further consideration be deferred until the next meeting.

GENERAL McCOY said that the question of jurisdiction on the subject of overseas assets had never actually been considered by the Commission, although it had been retained on the agenda for a long time pending a general decision on reparations. He recalled that there had been a general consensus that the over-all subject of reparations should be based on broad political considerations rather than on a statistical study of assets available for reparations. The whole subject of reparations was still before the Commission, and GENERAL McCOY felt that any present proposal to discuss overseas assets should be decided on with a view to whether such discussion would help or hinder the reaching of agreement on reparations. Since matters of prime importance were involved, he thought it might be well to retain the matter on the agenda until the next meeting. He asked the United Kingdom representative whether he would have any objection to a postponement of a vote on his motion.

MR. GRAVES said that he thought two issues were involved. The issue of external assets was of course a matter of policy. The procedural issue, which was the sole issue to which his motion referred, was simply the issue of whether or not FEC-295 could properly be discussed by Committee No. 1. He had no objection to postponing further discussion.

GENERAL McCOY said that if there were no objection he would defer action on Mr. Graves' motion and would retain the subject on the agenda until the next meeting.

Without objection, further consideration of this subject was postponed.

There was no other business and the meeting adjourned at 12:20 P.M.

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FEC-CONFIDENTIALPROVISIONAL MINUTES OF THE104th FEC Meeting29 April 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred Fourth Meeting of the Far Eastern Commission
Held in the Main Conference Room, 2516 Massachusetts Avenue, N.W.,
Washington, D.C.
29 April 1948, 10:30 A.M.

REPRESENTATIVES PRESENT

Maj. General Frank R. McCoy (United States) (Chairman)
His Excellency Mr. N. J. O. Makin (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
His Excellency Mr. P. E. Naggiar (France)
Mr. R. K. Nehru (India)
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
Rear Admiral S. S. Ramishvili (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

SECRETARY GENERAL

Mr. Nelson T. Johnson

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of any information contained therein to unauthorized persons or to the press.

Minutes, 104th FEC Meeting
29 April 1948

SUMMARY

FEC-CONFIDENTIALSUMMARY, 104th FEC Meeting29 April 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 104TH FEC MEETINGITEM 1 - a CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED AND SECOND MEETING

Approved, with correction requested at 103rd meeting

b CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED AND THIRD MEETING

Corrected and approved.

ITEM 2 - JAPANESE COASTAL PATROL (FEC-305/11)

FEC-305/11, formally voted on and lost by reason of non-concurrence of United States representative.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/6, 300 series)

United Kingdom statement. Postponed.

ITEM 4 - TREATMENT OF JAPANESE ASSETS IN NEUTRAL COUNTRIES (FEC-295/1)

Not considered.

ITEM 5 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19, SC-245/16)

Not considered.

ITEM 6 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, FEC-298/1, FEC-298/2)

Not considered.

ITEM 7 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Not considered.

ITEM 8 - OTHER BUSINESS

None

ITEM 9 - PRESS RELEASE

None

Summary, Minutes, 104th FEC Meeting
29 April 1948

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ITEM 1 - a CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED AND SECOND MEETING

GENERAL McCOY said that the postponement of approval of these minutes had allowed him to examine the effect on his own remarks of corrections which had been submitted by other representatives. He found that it would be unnecessary for him to submit any corrections.

The COMMISSION unanimously approved the minutes of its one hundred second meeting with the corrections which had been submitted at the one hundred third meeting as shown in the record of approval subsequently circulated.

b CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED AND THIRD MEETING

The COMMISSION unanimously approved the minutes of its one hundred third meeting with corrections as shown in the record of approval subsequently circulated.

ITEM 2 - JAPANESE COASTAL PATROL (FEC-305/11)

MR. POWLES said that this proposed policy decision, which had been initiated by the New Zealand delegation, had been discussed at the last meeting of the Commission (pages 2 to 5, Minutes, 103rd FEC Meeting), at the time of its introduction, and, more fully, at the last meeting of the Steering Committee (pages 2 to 10, Minutes, 102nd SC Meeting). He did not feel it necessary to discuss the merits of the proposal further and wished simply to suggest that after whatever remarks other representatives might wish to make, the proposal be put to a vote.

MR. GRAVES presented the following formal statement:

"His Majesty's Government in the United Kingdom have no objection in principle to a coastal patrol, but they are anxious that the Maritime Safety Authorities Law should not be implemented until the Far Eastern Commission has had an opportunity of considering how far its provisions are consistent with Allied security requirements.

"On the basis of the incomplete information which has been supplied, the preliminary views of His Majesty's Government in the United Kingdom are that (a) although a fleet of 125 ships is acceptable, no one vessel should exceed 300 tons and (b) the maximum speed should be 12 knots except for a limited number of vessels required for full time preventive work.

"For their part His Majesty's Government would wish to press for the amendment of the law on the above lines."

In view of this position on the part of the United Kingdom Government, MR. GRAVES said, he would support the adoption of FEC-305/11.

MR. NAGGIAR said that there seemed to him to be two aspects involved in the consideration of the present proposed policy decision.

The first aspect was that of procedure. The establishment of a coastal patrol was either an urgent matter or it was not. If it were an urgent matter then the United States Government could have, in accordance with Paragraph III-3 of the Terms of Reference, issued an interim directive to the

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Supreme Commander, provided such a directive was consistent with Commission policy decisions and would not effect adversely foreign nationals in Japanese coastal waters. If the matter were not urgent, the United States Government might well have raised it before the Far Eastern Commission and proposed an amendment to the Commission's policy on Prohibition of Military Activity in Japan and Disposition of the Japanese Military Equipment (FEC-017/20). If Commission agreement could have been obtained on such a proposed amendment, a policy decision would have resulted and this policy decision would have been transmitted to the Supreme Commander in the normal manner. If a policy decision could not have been agreed upon, then the United States Government could have, under Paragraph III-3 of the Terms of Reference, issued an interim directive, provided, again, that the directive was consistent with the Commission's policy decisions and provided that it did not infringe on the interests or rights of Allied nationals in Japanese coastal waters.

The second aspect was that of the substance of the proposed policy decision, and two questions were involved in this aspect: first, armament and other characteristics of vessels, and second, contact between this Japanese patrol organization and foreign nationals. He was himself convinced that the Commission was competent to discuss the subject of the armament and other characteristics of the vessels. Furthermore, such a discussion would arise almost inevitably, for while it was true that the Maritime Safety Authorities Bill did not provide for armament of the vessels, it appeared to him impossible for a coastal patrol to discharge its functions without some kind of armament. Arms were so essential a part of the equipment of any police organization that the Commission, in formulating its policy decision on disarmament, had found it necessary to discuss exhaustively the arming of land police.

With regard to the question of contact between the coastal patrol and Allied nationals, MR. NAGGIAR pointed out that it was contemplated that a Japanese organization, created by Japanese law, would necessarily come into contact with Allied nationals in Japanese coastal waters. In the absence of a treaty of peace, no consent on the part of any Allied Government, certainly not on the part of the French Government, could be presumed to exist regarding the basis for this contact. Consent of Allied Governments to the terms on which this contact would take place could be obtained in only two ways: by agreement reached in connection with a peace treaty, or by agreement in the Far Eastern Commission in connection with a policy decision.

MR. NAGGIAR said that for the above reasons, he would favor the adoption of FEC-305/11.

MR. COLLINS said that the Canadian Government had considered this subject very carefully and was fully aware of the importance of the question of a coastal patrol to the Governments members of the Far Eastern Commission. The Canadian Government was sympathetic with the various points which had been raised, and considered that the Commission should fully discuss all problems connected with the establishment of a coastal patrol with a view to ensuring that the establishment of such a coastal patrol would not contravene Commission policies. However, it was the Canadian view that the specific proposal in FEC-305/11 was inappropriate, and he was therefore under instructions to vote against its adoption.

DR. KOO said that the Chinese Government recognized the practical need of setting up some kind of coastal patrol in Japan. It was the Chinese view that it would be preferable to approach the question from this purely practical standpoint rather than to attach undue significance to the legal

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and jurisdictional aspects of the subject, which had to do with whether it was within the authority of the Commission or of the Supreme Commander to deal with this question. The Chinese Government was deeply interested in just how urgent the need was for a coastal patrol, and it shared the deep concern which had been expressed by various representatives with regard to possible contravention of Commission policy decisions by the law which had been passed. Therefore, he too found it desirable to seek some method of postponing the time at which the law should go into effect.

The Chinese Government, DR. KOO continued, was very much interested in the specific problem of the nature and extent of the equipment to be allowed the coastal patrol for the purpose of carrying out its duties. His Government was not yet prepared to take a position on the question of armament, but did consider it advisable to discuss the question of whether any should be permitted and if so, the extent of such armament. Even though such consideration would result in a finding that the anxieties which had been expressed were not justified, all concerned would be much more willing to see the law go into effect than they would if there were no opportunity for such consideration. He personally could not see that the subject was of such an urgent nature that a reasonable period for consideration by the Commission could not be permitted, particularly with reference to the aspect of the armament and to that of contact between the coastal patrol and Allied nationals. The Chinese delegation therefore, without prejudging any of the issues involved, favored the provision of an opportunity for consideration. He would, accordingly, vote for the adoption of FEC-305/11.

GENERAL McCOY said that even though representatives should decide, after study of the Maritime Safety Authorities Bill, that they wished to adopt a policy decision, they should bear in mind that such a policy decision could be adopted just as well after the law had gone into effect as before.

GENERAL McCOY pointed out that a Japanese constitution had been promulgated under which a responsible form of government had been set up. This Government had been functioning with reasonable success, under the supervision of the Supreme Commander. Numerous laws had been passed by the Japanese Diet and progress was being made by the Government in the general handling of legislative and administrative problems. He felt that this desirable evolution toward a progressively more responsible government would be seriously delayed if the Commission should intervene in the normal processes of the Japanese Diet. A democratic government, such as now existed in Japan, could hardly continue to function if the promulgation of laws must be delayed awaiting agreement among the eleven member nations of the Far Eastern Commission. The constitution under which the Diet was functioning contained distinct provisions which would meet various issues which had been raised in connection with the coastal patrol. For example, the constitution prohibited a Japanese army or navy, and this prohibition had been interpreted very strictly by the Supreme Commander in allowing the establishment of civil police. If, however, some law should be passed which the Commission considered in contravention of its policy decisions, the Commission would still have the authority to adopt an appropriate policy decision, and such a policy decision would of course be controlling, regardless of the provisions of the law in question.

GENERAL McCOY said that the contemplated provisions with regard to a coastal patrol represented simply a step in the direction of the gradual transfer of patrol functions from the direct supervision of the Allied navies, mainly the United States and British, into Japanese hands. Such a step was perfectly justifiable as one phase of the strengthening of a responsible Japanese Government under the Terms of Surrender, and indeed,

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under the Commission's Terms of Reference. He felt that the broad provisions of the Terms of Reference concerning the relations between the Commission and the Supreme Commander had been successful, and he thought that anxieties which had been expressed regarding this new development were without foundation. In the last analysis, he emphasized, the United States Navy could be relied on to permit no infringement of security and no reestablishment of the nucleus of a future Japanese navy.

GENERAL McCOY said that there had been long discussion and honest differences as to the distinction between policy and implementation. The question of the authority of the Supreme Commander was not a new one. However, for the first time, the question was being raised as to the powers inherent in the Japanese Diet under the constitution. Reasonable consideration of this question was of course called for, but he could not agree that the best method of meeting the situation would be the adoption of a policy calling for delay in the normal functioning of the Diet.

With regard to the specific United Kingdom amendments which had been presented, GENERAL McCOY said that he was not prepared at present to discuss the technical provisions concerning speed and size of vessels. Although the Maritime Safety Authorities Bill provided for larger and speedier vessels than did the United Kingdom amendments, these vessels actually were not yet in existence and he was informed that those to be used in the near future would be slow and rather small vessels. He thought it relevant to point out, incidentally, that the division of ships among the four Powers sharing in that division had been successful and satisfactory to the four Powers. It was probable that, in connection with this division, steps being taken with regard to the coastal patrol were fully known to member Governments represented in Japan.

MR. NAGGIAR said that the fact that the coastal patrol would be created by Japanese law and that there was no treaty of peace between France, for example, and Japan would mean that contact between the Japanese coastal patrol and French vessels and nationals would have no legal foundation. Even though, as the Chairman had said, Japan had a democratic government, this government had no treaty with any of the Allied Powers. Therefore, until a peace treaty had been signed the only way that relations between a Japanese coastal patrol and the nationals of Allied Governments could be placed on a proper legal footing would be for consent of the Allied Governments to be obtained by means of a Commission policy decision. GENERAL McCOY replied that his Government was not taking issue with the Commission's right to adopt a policy decision; it did, however, oppose the proposal to delay the operation of the Japanese Government until it could assure itself that the law was not in contravention of Commission policy.

MR. NAGGIAR pointed out that if coastal patrols were to be carried on by American naval forces, Allied nationals would have no grounds for objection. But if they were to be carried on by the Japanese Government, the very different situation which he had described would exist.

GENERAL McCOY said that he understood that American and British naval patrols would continue. This Allied patrol, however, was carried on in the straits, and, because of smuggling activities, it was now thought desirable to augment it by a coastal patrol carried on by small boats. He realized that various international problems would arise, but he thought that they could be handled by the Supreme Commander. He pointed out that the information which had been received from the Supreme Commander (SC-305/6) contained the following statement:

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"The authority of the Maritime Safety Board to enforce Japanese law and to make arrests, search and seizure in cases involving illegal traffic is under supervision and subject to final approval of SCAP."

MR. NAGGIAR asked whether the above statement should be understood as an amendment to the bill. If it were a part of the bill, the objection on legal grounds to which he had referred would be largely met.

MR. POWLES pointed out that the statement by the Supreme Commander was simply information which had been supplied to the Commission by the United States Government as a reply to inquiries which had been raised in the Steering Committee. Therefore, it could not be assumed that it had any legal effect in the absence of information as to the existence of a directive to the Japanese Government incorporating such a provision. It was undoubtedly true that any Japanese coastal patrols which had been used up to the present time had functioned under the direct supervision of the Supreme Commander. However, as MR. NAGGIAR had pointed out, this situation was fundamentally changed by the passage of a law establishing a Japanese organization deriving its authority from the legislative processes of the Diet. Although it could be assumed that in practice there would be coordination between the Supreme Commander's forces and the Japanese coastal patrol, there was apparently no provision directing Japanese coastal patrols to operate under direct supervision and control of the Supreme Commander. This, of course, afforded further emphasis of the need for the final text of the law, so that the Commission might know just what provisions had been included.

GENERAL McCOY remarked that he was informed that although the final text had been forwarded by air mail from Japan, it had not yet arrived. It would be made available to the Commission immediately upon its arrival.

MR. MAKIN said that until he had considered all the implications he very seriously questioned the feasibility of allowing the Japanese Diet, no matter how democratic it might be, to exercise authority to set up a patrol which would come into contact with Allied ships and nationals. It was extremely difficult for him to accept the thesis that people who had had to suffer at the hands of Japanese aggressors should have to submit to stoppage, search, arrest, and questioning by the forces of a Japanese patrol, while Japan was still technically an enemy and supposedly under the control of the Allies. Very serious embarrassment, he thought, might result from such a situation. Furthermore, it was an essentially wrong and untenable position and a matter of grave concern to the Australian Government that it should be regarded as unfortunate that the Commission should seek delay in the promulgation of this law in order to afford itself an opportunity for consideration. He was forced to ask who was governing Japan. Was it the Japanese Diet or was it the Far Eastern Commission? He himself was convinced that the Commission had a perfect right to delay any item of legislation as long as it felt necessary in order to reassure itself regarding possible infringement of Commission policy decisions. Until there had been agreement on a peace treaty, he felt that the Commission had the right to exercise its authority to supervise closely the laws which the Japanese Diet might seek to pass. Therefore, as a means of exercising such supervisory authority, he strongly favored the adoption of FEC-305/11.

GENERAL McCOY said that he could not agree that the Far Eastern Commission governed Japan. The Supreme Commander, representing the

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Allied Powers under the Terms of Surrender and under the Commission's policy decisions, governed Japan. The Supreme Commander was authorized to control the Emperor and the Japanese Government, but he was not subject to the Commission except in regard to policy. Under the Terms of Surrender the Japanese Government was obliged to obey the orders of the Supreme Commander. Therefore, regardless of the provisions of any Japanese law which might be passed, the Supreme Commander could legally control the resultant situation.

MR. MAKIN asked whether the United States representative did not agree that the question of a coastal patrol involved policy. GENERAL McCOY replied that the Commission could control the establishment of a coastal patrol by adopting a policy decision, but could not do so by attempting to "needle" the Supreme Commander into delaying the normal operation of the Japanese Diet. MR. MAKIN remarked that he had no desire to "needle" the Supreme Commander; but did desire to clarify the position and the rights of the Far Eastern Commission in this matter.

GENERAL McCOY said that it was relevant in this connection to recall that a year ago at the Canberra Conference it had been the consensus that the Japanese Government should be afforded a high degree of autonomy. However, this policy had not been carried out because of the inability of Powers to agree on a peace conference. Therefore, the Commission was necessarily obliged to continue its work under the Terms of Surrender and under its own policy decisions and to attempt to satisfy the expressed views of Governments as far as possible.

GENERAL McCOY again referred to what he considered the underlying assumption upon which many of the comments on the present subject had been made. This assumption seemed to be that it was absolutely essential that the Far Eastern Commission pass a policy decision before the new law went into effect. However, this was not the view of the United States Government. His Government saw no reason why, if the Commission deemed a policy decision to be necessary, it should not pass one after the act had gone into effect. Regardless of when a Commission policy decision were passed, it would be controlling over the provisions of any Japanese law which might be in conflict with it.

MR. POWLES drew attention to the fact that the particular proposal now before the Commission, FEC-305/11, contained no reference whatever to any legislation passed or pending in Japan. The policy proposal simply provided that the Japanese could not establish a coastal patrol until the Commission had had an opportunity of considering the matter. He could agree that the Commission was not really concerned with the acts of the Japanese Diet. However, the Commission was concerned with what might happen in Japan, and it was the purpose of the present proposal to ensure that steps would not be taken which would have to be retraced later.

All were in agreement, including the United States representative, MR. POWLES continued, that the Commission was competent to pass a policy decision prescribing the nature and extent of operation of a coastal patrol. However, it was clear that it would take some time to get general agreement on such a policy decision and it therefore seemed to him perfectly reasonable to adopt the present proposal, which was a decision of policy, and which would ensure to the Commission an opportunity for the necessary extended deliberation. The Chairman had spoken of the fact that the ships contemplated in the bill were not yet built and would exist only in the future. The future effects of the bill, MR. POWLES said, were indeed what concerned him most. Whatever happened now in Japan would

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certainly have a bearing on the contents of the ultimate peace treaty. Therefore, he felt that the preponderating arguments favored allowing ample time for deliberation by the Commission. The effect of this law on contacts between the Japanese and Allied nationals was indeed an important aspect and one which did not seem to have received adequate consideration as yet. This afforded one more compelling reason for delaying the effective date of the bill until the Commission could consider the matter. He did not think it was too important whether the Cabinet Order putting the law into effect was issued immediately or not. He did feel, however, that there should be no hurry in setting up the actual coastal patrol.

MR. NEHRU referred to the statement made by the Australian representative to the effect that it would be wrong for Japanese authorities to exercise some of the functions prescribed in the Maritime Safety Authorities Bill. It seemed to him, however, that this question must have arisen already, since other branches of the Japanese Government with police duties must have come into contact with Allied nationals. If the Supreme Commander were to govern Japan, then he must have the authority to govern through his own forces and through Japanese organs.

MR. NEHRU said that the Indian Member of the Steering Committee had abstained on the vote to forward the present proposal to the Commission. He would again abstain on the vote to approve the proposal. Two questions seemed to be involved having to do with the jurisdiction of the Commission and the conformity of the bill to Commission policy. On the first of these questions, he had no doubt that the Commission had the authority to consider this matter and to pass whatever policy decision it deemed advisable. On the second question, however, information was not yet available to afford a basis for decision as to whether the law was in conformity with Commission policy. Since the Commission could pass a policy later if it so desired, and since it was advisable not to interfere with the exercise of the Supreme Commander's authority until it was clear that there was some discrepancy between the law and the Commission's policy, he would abstain from voting:

MR. JOVELLANOS presented the following formal statement:

"The issue before us is significantly important. It touches on a subject which my Government considers to be inextricably linked with the peace in the Pacific - the peace we have fought for and are striving presently to preserve for all time.

"During the two years of its existence, the Far Eastern Commission had adopted policies setting forth the ultimate objectives of the occupation of Japan and the general principles in attaining these objectives. After prolonged negotiations, the Commission on February 12, 1948 passed a policy on the disarmament of Japan. This policy not only formalized the splendid accomplishments of SCAP in this field but also provided certain restrictions on future Japanese military and related activities.

"On April 15, the Japanese Diet passed a bill creating a group of agencies among which is a coastal patrol force. It has been pointed out in Steering Committee discussions, that, unless substantial amendments to the text now available have been made, certain provisions appear to be inappropriate at this time or are otherwise in conflict with the Commission's disarmament policy.

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"The New Zealand proposal seeks to afford governments round this table adequate opportunity to consider the merits and implications of the law before its implementation — an opportunity which has not been available because of the short notice given us before its enactment. For this reason, my Government supports FEC-305/11."

ADMIRAL RAMISHVILI said that on the point of the right of the Commission to take measures to delay the enactment of the law, he was convinced that such action was not only the right but the duty of the Commission. He could support the legal arguments which had been adduced in support of this contention. Furthermore, he regarded it as unjustifiable and incorrect to say that such a delay would constitute interference with the functions of the Japanese Government. On the contrary, for the Supreme Commander to enforce such a delay should be regarded as perfectly normal, since the Japanese Government was subject to his control.

ADMIRAL RAMISHVILI emphasized that FEC-305/11 would have the effect merely of affording to the Commission an opportunity for consideration of this question. Although the Soviet delegation did not consider the proposal in FEC-305/11 adequate, and would propose an amendment to it, it could not concur in the United States reasons for objecting to it. The Chairman had said that it was not important whether the Commission acted before or after the law had gone into effect. He could not agree; it was always better to amend a law before its enactment rather than after. The Chairman had also said that interference with the Diet was undesirable because the law was not in contravention with Commission policy. However, this was the view of only one of the eleven member Governments. Other Governments had expressed objections to the law and various specific amendments had been proposed, such as the United Kingdom amendment submitted at the present meeting. The Terms of Reference certainly did not provide that the views of one Government should prevail over those of all the others, and the immediate question was whether the Commission would accept the opinion of one Government without adequate discussion and without even seeing the final text of the law or whether it would provide itself an opportunity to express its views before the law became effective. He considered the second alternative to be ~~preferable~~ *normal*.

ADMIRAL RAMISHVILI said that the Chairman's remarks concerning the absence of a peace treaty seemed to mean that since the peace treaty had been delayed, the United States Government could carry out its unilateral policy in Japan. The Soviet delegation did not consider that delay in the peace treaty gave any Government the right to independent action, ignoring the opinions of other Governments. He detected a tendency to act independently in the very fact that this matter had come before the Commission only after it had been before the Diet. Indeed, this failure to place the matter before the Commission earlier constituted a violation of the Commission's rights. The present attempt to deprive the Commission of the right to delay the date upon which the law would go into effect constituted an even more fundamental violation of the Commission's rights.

MR. REUCHLIN said that the desire of the Commission to suspend enforcement of the law was considered by his delegation to be legitimate and reasonable and within the competence of the Commission. The Commission must be aware of its responsibilities, and the object of the present proposal was simply to afford the Commission an opportunity to discharge its responsibility in this regard. The Commission had sought information upon which to form a more valid opinion of whether the law was in contravention of Commission policy. Such information had not been forthcoming, however, and until it should be, the Commission would not be in a position

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to carry out its responsibilities. He would therefore support the adoption of FEC-305/11.

ADMIRAL RAMISHVILI moved that FEC-305/11 be amended to read as follows:

"The Japanese should not set up or operate any coastal patrol or coast guard service until the Far Eastern Commission has adopted a policy decision on this question."

ADMIRAL RAMISHVILI said that the Soviet delegation considered the paper without the above amendment to be insufficient.

MR. POWLES said that he could not support the proposed Soviet amendment. If it were adopted, the Commission would be compelled to pass a policy decision, whereas under FEC-305/11 in its present form, the Commission might, after due consideration, decide that no policy decision was required.

ADMIRAL RAMISHVILI said that without the amendment he had proposed, FEC-305/11 was not adequate to allow the Commission adequate opportunity to consider the subject and to take whatever action it deemed necessary.

The Soviet motion to amend FEC-305/11 was voted on as follows:

In favor:	1 (U.S.S.R.)
Opposed:	7 (Australia, Canada, France, Netherlands, New Zealand, United Kingdom, United States)
Abstained:	3 (China, India, Philippines)

GENERAL McCOY declared the motion lost for lack of a majority of all representatives.

The COMMISSION voted on the New Zealand motion to approve FEC-305/11 as follows:

In favor:	7 (Australia, China, France, Netherlands, New Zealand, Philippines, United Kingdom)
Opposed:	2 (Canada, United States)
Abstained:	2 (India, U.S.S.R.)

GENERAL McCOY declared the motion lost by reason of the non-concurrence of the United States.

MR. POWLES pointed out that FEC-305/11 had dealt with only the coastal patrol aspect of the Maritime Safety Authorities Bill. He reminded representatives that the bill itself was still before the Steering Committee.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/6, 300 series)

MR. GRAVES presented the following formal statement with regard to the United States substitute proposal shown in FEC-300/6:

"Since we should not in any case wish that delegates representing the interests of the Japanese Government, whether Japanese or not, should exercise the full rights of membership in inter-governmental organizations in advance of the signature of a treaty of peace or some instrument with similar effect, we can not agree that SCAP representatives at inter-governmental conferences should have any higher status than that of non-voting observers."

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GENERAL McCOY said that due to the lateness of the hour, he would entertain a motion to adjourn.

MR. JOVELLANOS moved that the Commission adjourn until its next regular scheduled meeting on 6 May 1948.

The meeting adjourned at 12:30 P.M.

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FEC-CONFIDENTIALPROVISIONAL MINUTES OF THE105TH FEC MEETING6 May 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred fifth Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N. W.,
Washington, D. C.
6 May 1948, 10:30 A.M.

REPRESENTATIVES PRESENT

Major General Frank R. McCoy (Chairman) (United States)
His Excellency Mr. N. J. O. Makin (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
His Excellency Mr. P. E. Naggiar (France)
Mr. S. N. Banerji (India)
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
Rear Admiral S. S. Ramishvili (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

SECRETARY GENERAL

Mr. Nelson T. Johnson

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of any information contained therein to unauthorized persons or to the press.

Minutes, 105th FEC Meeting
6 May 1948

SUMMARY

FEC-CONFIDENTIALSUMMARY, 105th FEC Meeting6 May 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 105TH MEETINGITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED FOURTH MEETING

Corrected and approved.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3; FEC-300/6, 300 series)

Discussed and postponed.

ITEM 3 - TREATMENT OF JAPANESE ASSETS IN NEUTRAL COUNTRIES (FEC-295/1)

Removed from agenda.

ITEM 4 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

Postponed.

ITEM 5 - REPORT BY COMMITTEE NO. 6 ON FEC-301, U.S.S.R. PROPOSAL ON TAXATION OF ALIENS BY THE JAPANESE (FEC-301/5)

Motion to approve report lost by reason of non-concurrence of Soviet Representative.

ITEM 6 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, FEC-298/1, FEC-298/2)

United States reply to FEC-298/2 circulated as FEC-298/5. Postponed.

ITEM 7 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219, 219 series)

Postponed.

ITEM 8 - OTHER BUSINESS

- a Statement of Australian Representative on Jurisdiction of the Far Eastern Commission.
- b Statement by United Kingdom Representative on Japanese Commercial Representation.
- c Remarks by United Kingdom Representative on Level of Economic Life in Japan.

ITEM 9 - PRESS RELEASE

None

Summary, Minutes 105th FEC Meeting

FEC-CONFIDENTIALITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED FOURTH MEETING

The COMMISSION unanimously approved the minutes of its one hundred fourth meeting with the following correction:

Page 8, last line of third paragraph, change the word "preferable" to "normal".

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES
(FEC-300/3; FEC-300/6, 300 series)

MR. MAKIN presented the following formal statement:

"The question of Attendance at Inter-Governmental Conferences has been under consideration in the Far Eastern Commission for a considerable length of time. It is the view of my Government that the Far Eastern Commission should reach a decision on this question one way or the other as soon as possible. We know from recent experience that there is a disposition on the part of the Supreme Commander to by-pass the Far Eastern Commission on questions of this nature, and I shall have something further to say on that general question later in the morning. I feel sure that after the long history which the question of Attendance at Inter-Governmental Conferences has had in the Far Eastern Commission that we must all by now be well instructed on the various issues involved.

"Speaking on behalf of Australia, I am in a position to state that I am able to support FEC-300/3. I am unable to support FEC-300/6.

"I should like to suggest, Mr. Chairman, that both these papers be brought to a vote this morning. Any further delay might leave this Commission open to further faits accomplis which would be a direct challenge to the authority of this Commission."

MR. REUCHLIN referred to the statement which had been made by the United Kingdom Member at the last meeting (page 9, Minutes, 104th FEC Meeting). He said that the Netherlands delegation concurred in the United Kingdom position, i.e., that SCAP representatives at inter-governmental conferences should not have any higher status than that of non-voting observers.

MR. BANERJI said that the Indian delegation had found the United States proposal, FEC-300/6, different in two important respects from the proposal shown in FEC-300/3. First, the United States proposal suggested that SCAP representatives should be authorized to vote at inter-governmental conferences. The Indian delegation could not approve this suggestion. Second, the United States proposal sought to broaden the scope of the conferences in question beyond the limitation to "technical" inter-governmental conferences as provided in FEC-300/3. Although the Indian delegation had no particular objection to this broadening, nevertheless, in view of the fact that the majority of the Steering Committee had favored the limitation, he would support FEC-300/3 in order to expedite agreement on this subject.

MR. NAGGIAR said that if a vote were taken at the present meeting, he would support FEC-300/3. His delegation objected to the United States proposal in FEC-300/6 on the following grounds: First, since there was no peace treaty with Japan, the French Government could not agree that

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delegates representing Japanese interests should attend inter-governmental conferences in any capacity other than that of observers. They should not, in the absence of a peace treaty, whether representing the Japanese Government or the Supreme Commander, participate in such conferences with voting powers. Second, as long as no agreement had been reached, either diplomatically or in the Commission, the French Government would not wish to receive representatives of SCAP, either with or without technical experts in any conference other than a technical conference.

MR. JOVELLANOS said that he could not support the United States proposal, FEC-300/6. However, in order to expedite agreement on this subject, he was prepared to alter the previous Philippine position and to support FEC-300/3, with a statement for the record which he would present at the time of voting.

DR. KOO said that, as was well known, the Chinese delegation had found it difficult to approve the proposal that Japanese technical personnel accompany observers to technical inter-governmental conferences unless such accompaniment were approved by the Far Eastern Commission. However, the majority of representatives had not seen objection to accompaniment by Japanese technical personnel, when deemed necessary by SCAP, and, in order not to delay adoption of a policy decision, the Chinese delegation would not insist any longer on its objection to this aspect of the proposal.

With regard to the United States proposal in FEC-300/6, DR. KOO said that the suggestion to enlarge the scope of the paper to include representatives as well as observers would raise a series of legal questions regarding the status of Japan in such conferences. In the absence of a peace treaty, the presence of representatives from Japan on the same footing as representatives from Allied Governments would be unfeasible from both a practical and legal point of view. It was too early, he thought, to permit full SCAP representation at inter-governmental conferences. Therefore, he considered it preferable to confine participation by SCAP on behalf of Japan to the appointment of observers. The Chinese delegation would also prefer the retention of the limitation on attendance at inter-governmental conferences to "technical" inter-governmental conferences. To extend attendance at inter-governmental conferences in general was, DR. KOO thought, objectionable from many points of view. For these reasons, he would support the adoption of FEC-300/3.

MR. GRAVES said that the statement which he had submitted at the previous meeting, to which reference had already been made, still represented the United Kingdom view. His delegation had hoped that the United States Government would be able to offer a compromise proposal somewhat closer to FEC-300/3 than the proposal shown in FEC-300/6. Since the two proposals were so far apart, he would have to vote against FEC-300/6, and, in the circumstances, would vote for FEC-300/3.

MR. COLLINS said that the Canadian Government was very anxious for a policy on this subject. The Canadian delegation had supported the proposal as shown in FEC-300/3 at various levels in the Commission. However, after considering the United States substitute proposal in FEC-300/6 and after noting the United Kingdom statement made at the last meeting, his Government had authorized him, in the interest of expediting a policy decision on this subject, to support either FEC-300/6 or FEC-300/3. He realized that the two proposals differed substantially, particularly with regard to the problem of non-voting observers. However, the representatives would be members of the Supreme Commander's staff and therefore their presence at any conference would be of a semi-technical nature. Furthermore, some discretion should be left to any conference which these representatives might attend to allow

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them to vote in any cases when this was deemed desirable by the conference.

MR. POWLES said that his delegation had been disappointed in the substance of the United States proposal, FEC-300/6. It seemed to represent a movement away from a position which the United States Government had previously seemed willing to take, and was certainly a movement away from the New Zealand position on the matter. The New Zealand delegation would have been willing to discuss some reasonable compromise of FEC-300/3, but since the United States proposal was so far removed from that paper, particularly with regard to the substitution of the term "representative" for "non-voting observers", he would support FEC-300/3.

MR. POWLES suggested that since FEC-300/6 had been offered as a substitute for FEC-300/3 and had been submitted after FEC-300/3, the original proposal, FEC-300/3, should be voted on first.

ADMIRAL RAMISHVILI presented the following formal statement:

"The Soviet Delegation is opposed to the United States proposal FEC-300/6.

"The Soviet Delegation does not insist on a more detailed definition of the term 'technical' than is indicated in FEC-300/3 and is prepared to withdraw its reservation on this question to document FEC-300/3.

"However, the Soviet Delegation considers it necessary to state that it understands the term 'technical' to mean such purely technical conferences as would not deal with political questions."

GENERAL McCOY said that he wished to present to the United States Government the views which had just been expressed by Representatives. Therefore, if there were no objection, he would postpone the vote on this subject.

Without objection, further consideration of this subject was postponed.

ITEM 3 - TREATMENT OF JAPANESE ASSETS IN NEUTRAL COUNTRIES
(FEC-295/1)

MR. GRAVES referred to his motion made at the one hundred third meeting to the effect that:

"In the opinion of the Commission the subject treated in FEC-295 is properly before Committee No. 1."

It had been his personal opinion, he said, in making this motion, that it was a procedural motion. However, he would welcome the Chairman's opinion and ruling on whether or not it was a procedural motion.

GENERAL McCOY invited the comments of other Representatives on this point. He was personally inclined to regard the motion as a procedural one. No issue of substance, he felt, was involved as yet and it had always been his view that Committees should not be restricted in the scope of subjects they might discuss. His ruling would be that, until discussion had led to some proposal for substantive action, only procedure was involved. He would like to be guided, however, by the views of other Representatives.

ADMIRAL RAMISHVILI said that the Soviet delegation considered that a question of substance, and not merely procedure was involved. This view, he said, was based on Paragraph II-A-3 which included among the functions of the

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Commission the consideration of "such other matters as may be assigned to it by agreement among the participating Governments reached in accordance with the voting procedure provided for in Article V-2 hereunder". The subject of Japanese assets in neutral countries would, he said, fall within the category "other matters" and could be discussed only after the subject had been introduced at the Commission level and a decision made under paragraph V-2, which laid down the voting procedure of the Commission.

MR. GRAVES said that if there were no consensus as to whether his motion had involved procedure or substance he did not feel that any useful purpose would be served by a lengthy discussion of the point and would therefore withdraw the motion.

ADMIRAL RAMISHVILI presented the following formal statement:

"From our statement made on this question at the previous meeting (FEC-295/1) it is clearly seen that the Soviet delegation considers that discussion of the question of external assets is beyond the jurisdiction of the Far Eastern Commission, and it does not consider it possible to discuss this subject at the Commission.

"Therefore, the Soviet delegation does not bear the responsibility for the discussion of this question in Committee No. 1."

GENERAL McCOY suggested that, with cognizance taken of the foregoing statement by the Soviet representative, this subject be removed from the agenda.

Without objection, this subject was removed from the agenda.

ITEM 4 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

GENERAL McCOY said that he had hoped to be able to present the United States position on this subject at the present meeting. However, this position had not yet been definitively formulated. He asked whether any other representatives were prepared to remove their reservations on the subject.

MESSRS. GRAVES, MAKIN, JOVELLANOS and NAGGIAR removed the reservations of their respective governments on FEC-245/18 and expressed their readiness to support its adoption.

ADMIRAL RAMISHVILI pointed out that the Soviet position on this subject was still reserved, and that Soviet amendments shown in FEC-245/19 were still pending.

ADMIRAL RAMISHVILI invited attention to a question which he had raised at the last Steering Committee (page 11, Minutes, 103rd SC Mtg.) in connection with the press information contained in the "New York Times" of May 3rd 1948 concerning the construction of some airfields in Japan. Since this information was in relation with the subject dealt with in FEC-245/18 he said he was taking this opportunity to bring this information to the knowledge of the Commission and asked whether the United States representative cared to give to the Commission any additional information on this subject.

GENERAL McCOY said that the query which the Soviet member of the Steering Committee had raised had been referred to the United States Government. He had not yet received any information from his Government.

Without objection, further consideration of this subject was postponed.

ITEM 5 - REPORT BY COMMITTEE NO. 6 ON FEC-301, U.S.S.R. PROPOSAL ON TAXATION OF ALIENS BY THE JAPANESE (FEC-301/5)

MR. REUHLIN, speaking as Acting Chairman of the Steering Committee, said that the report of Committee No. 6 shown in FEC-301/5 had been approved by the Steering Committee by a vote of 10 to 1, with the Soviet member opposed. While Committee No. 6 had considered the action of the Soviet dele-

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gation in raising for review the Commission's policy decision, FEC-055/4, to be perfectly proper, it had not found, as the Soviet delegation had contended, that SCAPIN 4938-A was in contradiction with this policy decision. Accordingly, it took the position that no further action was necessary.

MR. REUHLIN moved the adoption of the report of Committee No. 6, FEC-301/5. The vote on this motion was 10 in favor to 1 (U.S.S.R.) opposed. GENERAL McCOY declared the motion lost by reason of the non-concurrence of the Soviet representative.

ADMIRAL RAMISHVILI presented the following formal statement:

"The Soviet delegation cannot agree with the decision of the Steering Committee on 20 April 1948 that the Supreme Commander's Memorandum to the Japanese Government of 29 November, 1947, SCAPIN 4938-A, is not in contradiction with the Far Eastern Commission's decision FEC-055/4, 'Japanese Taxation of Aliens', since in accordance with this decision the Supreme Commander should have referred this question first for the consideration of the Far Eastern Commission."

ITEM 6 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, FEC-298/1, FEC-298/2)

GENERAL McCOY said that a reply from the United States Government to the Soviet statement shown in FEC-298/2 had been received too late for distribution prior to the present meeting. Copies were now available, however, and would be circulated at once. (FEC-298/5 distributed at the meeting.)

Without objection, further consideration of this subject was postponed.

ITEM 7 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Without objection, further consideration of this subject was postponed.

ITEM 8 - OTHER BUSINESS

a. Statement by Australian Representative on Jurisdiction of the Far Eastern Commission

MR. MAKIN presented the following formal statement:

"Mr. Chairman, recent discussions in this Commission have been devoted to certain individual questions which are a direct challenge to the authority of the Far Eastern Commission. After an examination of these issues the Australian Government has become concerned that a trend is developing which seems to suggest that there is a tendency on the part of the United States and the occupation authorities to resolve questions unilaterally which clearly belong to the jurisdiction of the Far Eastern Commission. The time has come for us to take stock of the situation and to face these issues. I feel sure that the concern of the Australian Government must also be shared by other members of the Far Eastern Commission.

"During the discussion last week on the question of the Japanese Coastal Patrol, you, Mr. Chairman, used the phrase 'needling the Supreme Commander'. I should like to state at the outset that there is no intention on my part of 'needling the Supreme Commander'. The Australian people have a deep affection and a profound admiration for General MacArthur. I approach this problem purely from the point of view of maintaining the authority of this international Commission.

"I do not wish this morning to re-open the question of the Japanese Coastal Patrol to which our meeting was devoted last week but I feel

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that that meeting did indicate the growing concern of the members of this Commission and their desire to discharge their obligations.

"In this Commission at one level or another we have three papers relating to the travel abroad of Japanese. The fact that the United States has asked the Far Eastern Commission to decide whether Japanese should be allowed to travel abroad to attend governmental conferences, for cultural purposes or on business missions, amounts to recognition of responsibility of the Far Eastern Commission for policy on such matters. Nevertheless, I had occasion to draw to the attention of this Commission a few weeks ago a press release issued from the Headquarters of the Supreme Commander in Japan in which he publicly advocated unilateral action by the United States if other Allied governments are not agreeable to relax restrictions on Japanese trade and commerce and to allow Japanese citizens to travel freely abroad. Nowhere in this press release does the Supreme Commander mention the Far Eastern Commission or acknowledge in any way the responsibility which it has for the making of policies for Japan. There are also current reports from Japan that arrangements are already being made for a number of Japanese to visit other countries.

"The position of the Australian Government on the question of travel abroad of Japanese at this time is well known. We agree to Japanese officials accompanying SCAP officials to international conferences as technical advisers but in no other capacity. We would be prepared to agree to other visits by Japanese subject to the concurrence not only of the country concerned but also of the Far Eastern Commission. The Australian Government nevertheless is prepared to consider these questions carefully and objectively in the Far Eastern Commission and would like to see a decision reached in the Far Eastern Commission without unnecessary delay. The travel abroad of Japanese before such decisions are reached in the Far Eastern Commission would represent a direct challenge to the authority of the Far Eastern Commission.

"There is another question to which I should like to refer relating to the importation of bauxite into Japan. It has recently been reported that the Supreme Commander has given permission for the Japanese to import 100 thousand tons of bauxite for the revival of the Japanese aluminum industry. Under the existing interim reparations removals programme there is a decision of the Far Eastern Commission to the effect that all capacity in the aluminum industry should be removed as reparations. The spirit of that decision clearly is that the Japanese shall not be permitted to have an aluminum industry. That decision is binding until it has been changed by another policy decision of the Far Eastern Commission. It is true that a paper, SC-242/19, which is at present under discussion in the Steering Committee, does contemplate a change in the existing policy decision. Under certain conditions the Australian Government itself might be prepared to support the re-establishment of the Japanese aluminum industry at the appropriate time, but, in view of the existing decision the spirit of which is quite clear, we cannot concede that the Supreme Commander is justified in taking unilateral action which would in fact prejudice a decision which is still under consideration in the Far Eastern Commission.

"The Australian Government and all other governments represented around this table have a vital interest in securing the safety of their countries against repetition of what took place in the recent war of aggression waged by Japan. The Australian Government does not ask that the Japanese people should be enslaved and not given a reasonable standard of living, but it must insist that decisions such as the revival of the Japanese aluminum industry cannot be made until all countries represented on the Far Eastern Commission have studied the question carefully and objectively and reached a policy decision.

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"There is another question which is of vital interest. This relates to Japanese fishing. It is well known that the Australian view on whaling has not been met in the past. The position of the Australian Government on the question of fishing is that the Japanese should be allowed to fish outside their own waters only with the concurrence of the countries particularly concerned and of the Far Eastern Commission. While there may be a case for fishing outside Japanese waters for food and oil, there is no case for pearl fishing. I do not intend at this stage to discuss at any detail a proposal which is at present under discussion in Committee No. 2. Our views will be made known in detail during discussions of that proposal in Committee No. 2. There are, however, reports of Japanese vessels being in proximity to our Australian mandated territory. One Japanese fishing vessel has already been discovered south of the area at present authorized by the Supreme Commander and within Australian territorial waters. We are also concerned about reports that the Japanese may be permitted to fish in the vicinity of the former Japanese mandates. These mandated islands are being administered in trust for the security of Australia and all other members of the United Nations. We do not consider that the Japanese should have access to these areas."

GENERAL McCOY said that he would communicate the Australian representative's statement to the United States Government.

b. Statement by United Kingdom Representative on Japanese Commercial Representatives

MR. GRAVES presented the following formal statement:

"The United States delegation has made proposals which they have properly laid before the Commission on this matter and these proposals are under active consideration. There is every reason to suppose that these discussions will lead to a policy decision which will take account of the interests of all the eleven countries concerned and correspond to the practical problems of the occupation which we all recognize are great and pressing. However, we see no reason at this moment for speeding up the dispatch of Japanese commercial representatives abroad and we should much prefer to wait until a policy has been determined. There seem to us to be no reasons why Japanese businessmen should have facilities in advance of those which are in the process of being accorded to Allied businessmen returning to Japan to restore their commercial positions."

c. Remarks by United Kingdom Representative on Level of Economic Life in Japan

MR. GRAVES referred to SC-242/19, a proposed policy decision on Level of Economic Life: Policy towards Japanese Industry, which was before the Steering Committee. There had been considerable delay on this subject, he said, and although the Steering Committee had at one time set a "deadline" of 20 April for the submission of further amendments, certain delegations had still not received their instructions on the subject. He requested General McCoy, as the United States representative on the Commission, to do whatever he could to expedite the formulation of the United States position. If the United States position could be made available on this subject, he said, undoubtedly it would have a stimulating effect on the Steering Committee's consideration of the subject. This request, he said, was addressed to the other delegations which had not yet received instructions as well as to the United States delegation.

The meeting adjourned at 12 Noon.

COPY NO. _____

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FEC--CONFIDENTIALMINUTES--106th FEC Mtg.13 May 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred Sixth Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N. W.,
Washington, D. C.
13 May 1948, 10:30 A.M.

REPRESENTATIVES PRESENT

Major General Frank R. McCoy (United States) Chairman
His Excellency Mr. N. J. O. Makin (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
His Excellency Mr. P. E. Naggiar (France)
Mr. S. N. Banerji (India)
Dr. R. H. van Gulik (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
Rear Admiral S. S. Ramishvili (U.S.S.R.)
His Excellency Lord Inverchapel (United Kingdom)
Mr. H. A. Graves

SECRETARY GENERAL

Mr. Nelson T. Johnson

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

Minutes--106th FEC Mtg.

SUMMARY--FECFEC--CONFIDENTIALSUMMARY - 106th FEC Mtg.13 May 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 106th MEETINGITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED FIFTH MEETING

Corrected and approved.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/6; 300 series)

U.S. revision of its substitute proposal (FEC-300/6) circulated as FEC-300/7. Statement by Australian representative. Postponed.

ITEM 3 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

Postponed.

ITEM 4 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, 298/1, 298/2, 298/5; 298 series)

Removed from agenda.

ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Postponed.

ITEM 6 - OTHER BUSINESS

None.

ITEM 7 - PRESS RELEASE

None.

Summary--Minutes, 106th FEC Mtg.

FEC--CONFIDENTIALDEPARTURE OF LORD INVERCHAPEL

GENERAL McCOY opened the meeting and suggested that, before proceeding with the business of the agenda, representatives join him in bidding farewell to Lord Inverchapel, who was relinquishing his post as British Ambassador and United Kingdom Representative on the Far Eastern Commission.

He recalled Lord Inverchapel's long and distinguished career and expressed the hope that he would again visit the United States after his official duties had been completely discharged.

LORD INVERCHAPEL thanked General McCoy for his good wishes and expressed regret that because of the pressure of other duties it had been impossible for him regularly to attend meetings of the Commission. He recalled that on the other occasion of his attendance at a Commission meeting there had been a discussion of the subject of reparations. In spite of the slight amount of progress on this subject, he personally remained tenaciously optimistic, and he assured the Commission that his Government would always give its most serious consideration to any proposals which might seem to offer a solution to any aspects of this question.

LORD INVERCHAPEL said that the United Kingdom Delegation regarded the subject of levels of industry as one of the most important problems with which the Commission had to deal. He wondered whether General McCoy felt that there had been substantial progress toward an agreement on this subject.

GENERAL McCOY said that he considered that there had been progress in the Commission's negotiations on this question, although of course no final agreement. The problem was one of extreme complexity and difficulty, but he did feel that Representatives on the Commission had demonstrated a very reasonable attitude during the gradual approach to agreement. If only the various Governments could be persuaded to back up the earnest and effective work of their Delegations, there would be real hope for final agreement.

LORD INVERCHAPEL said that, with Governments some distance away from the scene of negotiations, it was often difficult to secure their concurrence or directions. The United States Delegation was at some advantage in that it could maintain close contact with its Government. Other Governments were remote and did not always sense the trend and spirit of the negotiations with sufficient speed.

LORD INVERCHAPEL said that his Government was particularly anxious to see Japan in a state of solvency and therefore, if the United Kingdom Delegation seemed sometimes importunate with regard to certain of its proposals, it was merely because of its wish to ensure that the burdens of the occupation should be eased and that Japan's economic position should be saved from becoming wholly chaotic.

LORD INVERCHAPEL said that he had observed with pleasure the high degree of harmony--unusual in international bodies--that existed within the Far Eastern Commission. He felt that he could not be accused of flattery in saying that this harmony sprang in large measure from the courtesy and consideration which the Chairman had shown to the United Kingdom Delegation and to all the delegations. He wished to put on record his warm thanks for the way that General McCoy had presided over the Commission. The eleven nations represented on the Commission must of course continue to strive for peace, progress and prosperity in the Far East, and in the conviction that the representatives on the Commission could make some contribution to these ends he wished them full success in their work.

LORD INVERCHAPEL left the meeting and MR. GRAVES assumed his place as United Kingdom representative.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED FIFTH MEETING

MR. COLLINS requested that the last two sentences on page 2 be cor-

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rected to read:

"However, the representatives would be members of the Supreme Commander's staff and therefore would attend on behalf of the Allied occupation and not of the Japanese Government as such. Consequently the problem of Japan's status before a peace conference would not really arise. Normally, their function would be of a semi-technical nature. However, some discretion could appropriately be left to any conference which these representatives might attend, to allow....."

The following typographical corrections were noted:

Page 3, penultimate line under Item 2, the word "postponed" should be "postpone".

Page 3, first line of penultimate paragraph, fourth word should be "comments" instead of "commites".

Page 7, penultimate line under Item 8 b the fifth word should be "accorded" instead of "afforded".

THE COMMISSION unanimously approved the minutes of its one hundred fifth meeting with the above corrections.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/6; 300 series)

GENERAL McCOY invited attention to FEC-300/7, a revision of FEC-300/6, the United States substitute for FEC-300/3 which had been presented on 15 April. He said that this revision had been prepared by the United States Government after careful consideration of the comments by representatives at the last meeting of the Commission (pages 1 to 3, Minutes, 105th FEC Mtg.) and he hoped that it would afford a basis for unanimous agreement.

MR. MAKIN presented the following formal statement:

"Mr. Chairman, the fact that we now have a large body of support for FEC-300/3 illustrates the extent to which countries have been prepared to find some reasonable compromise on the question of Attendance at Inter-Governmental Conferences. It is disappointing when certain countries have been willing to abandon their long-standing objections in order to reach a point where general agreement seemed likely to be reached, that the United States should then have retreated from a position which in the past they have always seemed prepared to accept.

"My Government is anxious to see a decision reached on FEC-300/3 as soon as possible but is unable to support any proposal which would state or even imply that SCAP's representative should attend at inter-governmental conferences in any other capacity than that of a non-voting observer. Should any exceptional circumstances arise in the future in which it were vitally necessary that SCAP's representatives should attend on inter-governmental conferences in the capacity of voting representatives, it is the considered view of my Government that this question should be referred to the Far Eastern Commission where the question should be considered upon its merits."

MR. MAKIN said that he did not consider FEC-300/7 to be an acceptable compromise. With regard to the possibility of a vote being taken at the present meeting, he would like to hear the views of other members.

MR. COLLINS said that he welcomed the proposal just submitted by the United States Government in FEC-300/7. He thought it advisable to retain it on the agenda in order to afford representatives an opportunity to study it thoroughly.

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MR. POWLES said that he too would favor a week's postponement since he desired to seek further instructions from his Government.

Without objection, further consideration of this subject was postponed.

ITEM 3 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

GENERAL McCOY said that it was the intention of his Government to propose amendments to FEC-245/18. These amendments had not yet been finally formulated and he would suggest therefore that further consideration be postponed.

Without objection, further consideration of this subject was postponed.

ITEM 4 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF J.PANESE INDUSTRY (FEC-298, 298/1, 298/2, 298/5; 298 series)

ADMIRAL RAMISHVILI said that the Soviet delegation had no objection to the removal of this subject from the agenda provided it were understood that the Soviet delegation reserved its right to raise the subject again at some future time.

GENERAL McCOY said that the subject would be removed from the agenda with cognizance of the Soviet reservation to raise it for discussion at some future time if that should be deemed necessary.

ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Without objection, further consideration of this subject was postponed.

The meeting adjourned at 11:00 A.M.

COPY NO. 145FEC--CONFIDENTIALMINUTES--107th FEC Mtg.20 May 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred Seventh Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N. W.,
Washington, D. C.
20 May 1948, 10:30 A. M.

REPRESENTATIVES PRESENT

Major General Frank R. McCoy (United States) Chairman
Mr. H. W. Bullock (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
His Excellency Mr. P. E. Naggiar (France)
Mr. S. N. Banerji (India)
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
His Excellency Mr. A. S. Panyushkin (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

SECRETARY GENERAL

Mr. Nelson T. Johnson

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Minutes--107th FEC Mtg.

COPY NO. 133

27 May 1948

FEC-CONFIDENTIALRECORD OF APPROVAL OF THEMINUTES OF THE 107TH FEC MEETINGFAR EASTERN COMMISSIONRECORD OF APPROVALMINUTES OF THE ONE HUNDRED AND SEVENTH MEETING OF THEFAR EASTERN COMMISSIONNote by the Secretary General

1. The Far Eastern Commission, at its one hundred and eighth meeting, 27 May 1948, approved the provisional minutes of its one hundred and seventh meeting with no corrections.
2. Representatives are requested to attach this formal record of approval to their file copies of those minutes.
3. The attention of all concerned is invited to the classification of this document which prohibits the dissemination of any information contained therein to unauthorized persons or to the press.

NELSON T. JOHNSON
Secretary General

Record of Approval of the Minutes of
the 107th Meeting of the Far Eastern
Commission.

SUMMARY--FECFEC--CONFIDENTIALSUMMARY - 107th FEC Mtg.20 May 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 107th MEETINGITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE 107th MEETING

Approved.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/7; 300 series)

Discussed and postponed.

ITEM 3 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

Postponed.

ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/22)

Discussed and postponed.

ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Not considered.

ITEM 6 - OTHER BUSINESS

United States statement relative to applications of Pakistan and Burma for admission to the Commission.

ITEM 7 - PRESS RELEASE

None.

Summary, Minutes, 107th FEC Meeting
20 May 1948

FEC--CONFIDENTIALITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED SIXTH MEETING

THE COMMISSION unanimously approved the minutes of its one hundred sixth meeting.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/7; 300 series)

MR. GRAVES recalled that he had, on a previous occasion (page 9, Minutes, 104th FEC Mtg.), in connection with FEC-300/6, stated that his Government would not favor attendance at inter-governmental conferences by delegates representing the interests of the Japanese Government, whether Japanese or not, with authority to exercise full rights of membership prior to the signing of a peace treaty or of some instrument having similar effect. He had also stated that his Government could not agree that the Supreme Commander's representatives at inter-governmental conferences should have higher status than that of non-voting observers. The present United States proposal, FEC-300/7, did not make it clear that the Supreme Commander's representatives would attend merely as non-voting observers. Indeed, it was proposed that the Commission confer on the Supreme Commander the right to send, on invitation, representatives with full powers. Such authorization, MR. GRAVES pointed out, would be equivalent to endowing the Supreme Commander with the status of a government, a standing which, of course, he did not have. He was, rather, the representative of the Allied Powers, and it would be illogical to invest him with the authority enjoyed by governments which convened or attended inter-governmental conferences.

For the above reasons, MR. GRAVES concluded, his Delegation would not be in a position to support FEC-300/7. Of the various proposals on this subject which had been prepared, he remarked, the United Kingdom Delegation was most favorable to SC-236/5.

MR. NAGGIAR said that the French Delegation considered that the question of attendance at inter-governmental conferences must be examined from the point of view of the appropriate procedure regarding invitations to inter-governmental conferences. This question of the procedure of invitation had not been adequately dealt with in any of the various proposals on the subject. However, the French Delegation had been prepared to support FEC-300/3 which contained a reference to "the receipt of an appropriate invitation", and thus affirmed, in a way, the necessity for appropriate invitations.

With regard to the capacity in which representatives of the Supreme Commander would attend inter-governmental conferences, MR. NAGGIAR said that it was the French position that such representatives could not attend as voting members. Voting members would require instructions. Instructions for a representative of the Supreme Commander would of course not be given by the Japanese Government; they would rather have to be supplied by the Supreme Commander and they would necessarily have to be in accordance with directives issued to him by the United States Government either as the result of Commission policies, or unilaterally, under paragraph III, 3 of the Terms of Reference. In the latter circumstances the effect would be to grant the United States Government two votes at the conference in question. Therefore, such representatives should be allowed to attend only in the capacity of non-voting observers until a peace treaty had been signed.

A further aspect of the French position, MR. NAGGIAR said, was that the Supreme Commander should be represented only at technical inter-governmental conferences. FEC-300/7 however made no distinction between technical and other inter-governmental conferences.

For the foregoing reasons, MR. NAGGIAR concluded, he could not support FEC-300/7.

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MR. POWLES said that the latest instructions from his Government reaffirmed the New Zealand desire that a Commission policy be adopted as soon as possible on the subject of attendance at inter-governmental conferences. In general, the New Zealand views were similar to those just expressed by the United Kingdom and French Representatives. It was thought, however, that the differences between FEC-300/3 and FEC-300/7 might be sufficiently composed to afford a basis for unanimous agreement.

One of the principal differences between the two proposals had to do with the distinction between technical and other inter-governmental conferences. FEC-300/3 would give the Supreme Commander the authority to send a representative to technical conferences. By inference, attendance at other inter-governmental conferences would require approval by the Commission. In FEC-300/7 the distinction between technical and other inter-governmental conferences was ignored, and the Supreme Commander would have the authority to send a representative to any inter-governmental conference. A possible compromise might be to approve the proposal on this point as shown in FEC-300/7, with the understanding that whenever the Supreme Commander received an invitation to send a representative to any inter-governmental conference other than a purely technical one, he would inform the Commission of this fact.

A second principal difference between the two proposals, MR. POWLES continued, had to do with the capacity in which a representative of the Supreme Commander would attend an inter-governmental conference. Essentially, this question was whether or not representatives of the Supreme Commander should have the right to vote. The number of cases in which it would be desirable for the Supreme Commander's representatives to vote would be extremely small. A possible solution of this problem, therefore, MR. POWLES thought, would be to leave the question of the capacity in which the representatives of the Supreme Commander would attend to the conference itself.

It should be recognized, he thought, that each inter-governmental conference had a certain discretion in regard to its own proceedings. The statement in FEC-300/7 that "The capacity in which members of SCAP's staff attend such conference should be in accordance with the terms of the invitation" was, he felt, inaccurate. No conference could be bound by the terms of its invitation; it would, instead, have the right to arrange its own procedures and, in accordance with those procedures, would be required to pass on the credentials of all delegates to the conference.

A third principal point of difference between the two proposals now before the Commission was the question of representation of the Japanese Government. FEC-300/3 provided that "...no representatives of SCAP or of the Japanese Government, ...should be permitted to attend inter-governmental conferences in any capacity except as provided in this policy decision". No comparable provision existed in FEC-300/7. It was the view of the New Zealand Government that the Supreme Commander should not have discretion to allow representatives of the Japanese Government to attend a conference and that, instead, any policy decision passed by the Commission should prohibit attendance by representatives of the Japanese Government. This point could be covered, he felt, by the addition of the following provision in FEC-300/7:

"The Japanese Government should not be represented at any inter-governmental conference without the prior approval of the Far Eastern Commission."

MR. POWLES said that after the extended discussion of this subject which had taken place at various levels in the Commission he was of the opinion that SC-236/5 which, incidentally, had at one time been acceptable to the United States Government, represented as satisfactory and complete a basis for agreement as any proposal that might be drafted. It met the points he had raised, and, although it had not met the views of all delegations, he did feel that there had been a certain shift in delegations' views and that consideration of the points of compromise he had suggested might lead to a reasonably satisfactory paper. MR. POWLES concluded by

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reaffirming the view of his Government with regard to the Supreme Commander: the Supreme Commander's authority was delegated to him by the Allied Powers and it could not be in excess of that prescribed by the documents pertaining to his appointment or by subsequent directives.

DR. KOO said that as had been made clear on several previous occasions, it was the Chinese view that any policy decision by the Commission on this subject must be entirely clear on certain points. First, as to the nature of the inter-governmental conferences at which attendance by the Supreme Commander's representatives should be authorized, it was the Chinese position that attendance should be restricted to technical inter-governmental conferences.

A second point was the scope and character of the representation to be permitted. The Chinese Government favored attendance by only non-Japanese non-voting observers at technical conferences. The question of sending voting representatives would involve a number of legal questions extremely difficult of determination. Furthermore, in view of the special and temporary nature of the organization of SCAP, it was best to limit its representation to non-voting observers.

A third point was that of non-voting observers being accompanied by Japanese technical personnel. There was a strong feeling in China and in other countries against the granting of such privileges to the Japanese, and if the need for accompaniment by Japanese technical personnel should arise, the question should, in the Chinese view, be referred to the Commission for determination.

DR. KOO said that since the presentation of FEC-300/7 by the United States Government he had requested further instructions from his Government. Pending the receipt of such further instructions and subject to them, he could remark that FEC-300/7 appeared to be simpler in its provisions than did, for example, FEC-300/3. However, this simplicity arose from the fact that the scope and the nature of representation would be left to the Supreme Commander or, on the other hand, to the terms of the invitation to any given conference. In any event, it was proposed to take the matter out of the Commission's hands. While such a solution would be simple, he doubted whether it would be in accordance with the views of various member governments, including his own.

The New Zealand Representative, DR. KOO continued, had suggested a compromise on the question of the nature and scope of representation whereby a determination of the question would be made by the conference itself. While he hesitated to comment on this proposed compromise before having an opportunity to study it in written form, he did feel dubious as to its practicability. The Commission should, he felt, pass a policy decision and thereby afford guidance to the Supreme Commander and to inter-governmental conferences. Much discussion of a very delicate nature would ensue if the question of the nature and scope of representation of the Supreme Commander were to be left to inter-governmental conferences themselves. If the Commission should authorize attendance on behalf of the Supreme Commander of only non-voting observers, both the Supreme Commander and those technical conferences inviting the observers would be greatly helped.

For the above reasons, DR. KOO concluded, in the absence of further instructions, he considered that, of the two proposals before the Commission, FEC-300/3 was preferable to FEC-300/7.

MR. BANERJI said that the Indian position had been made clear, in connection with discussion of FEC-300/6, that a representative of the Supreme Commander should not have the right to vote. In view of this and other similar opinions, the United States Delegation had presented FEC-300/7 as an attempted compromise designed to reconcile the position set forth in FEC-300/6 with the views of the majority of the Commission. It seemed to him that the compromise had failed in that it was not clear on whether or not the representative of the Supreme Commander would have the right to vote. He therefore regarded FEC-300/7 as unacceptable.

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With regard to the suggestion of the New Zealand Representative that the scope and nature of SCAP representation be left to the inviting conference, MR. BANERJI considered it appropriate to point out that the Far Eastern Commission was, under its Terms of Reference, charged with formulating "the policies, principles, and standards in conformity with which the fulfillment by Japan of its obligations under the Terms of Surrender may be accomplished". Without further study of the New Zealand proposal, he was inclined to think that the Commission could not delegate to the conferences themselves its power to decide on the scope and nature of representation. It must be recognized that such conferences would include nations other than members of the Far Eastern Commission.

MR. BANERJI said that he did not feel strongly on the question of the scope of the conferences at which SCAP representation might be permitted. If it were extended beyond technical conferences, however, he would associate himself with the New Zealand proposal whereby, in the case of an invitation to an inter-governmental conference other than a technical one, the United States Government would inform the Commission of such an invitation.

MR. BULLOCK said that the Australian position in general was similar to that which had been expressed by the United Kingdom and other representatives. His Government deemed it essential that the Commission adopt an early decision on the subject. The negotiations on this matter involved a long history of compromise, and the Australian Government had made substantial concessions in agreeing to FEC-300/3. It could not concede to the Supreme Commander the right--properly belonging to the Commission--to decide in what capacity Japan should be represented at inter-governmental conferences. Much less could the Australian Government concede this right to the conferences themselves, where all members of the Far Eastern Commission would not necessarily be represented, and where countries other than Far Eastern Commission member governments might be represented.

In conclusion, MR. BULLOCK pointed out that there was wide support for FEC-300/3, and he urged that a decision be taken on it as soon as possible.

GENERAL MCCOY said that he considered the discussion of this subject at the present meeting to be extremely useful. He felt that certain new points had been raised and since it was apparent that neither FEC-300/3 nor FEC-300/7 could be adopted at the present meeting, he would like to postpone further consideration in order to afford opportunity for study of the new points.

Without objection, further consideration of this subject was postponed.

ITEM 3 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

Without objection, further consideration of this subject was postponed.

ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY
(FEC-242/32)

MR. GRAVES presented the following formal statement:

"It may be useful to recall briefly the history of this paper. It is based on the United States proposals for Reparations Removals of Industrial Facilities from Japan contained in FEC-218 which was laid before the Commission on the 9th April 1947 by the United States Delegation. That paper specified levels for several branches of industry and proposed that all facilities in excess of the stated levels should be made available for claim as reparations.

"The United States paper was accepted as the basis of discussion in committee and careful consideration was given over many months to the industrial levels proposed by the United States. It is a matter for gratification that the revised paper which has now returned to the

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Commission after long committee discussion is substantially in its original form and enjoys the support of a majority of the members of the Commission. The subject of shipping and shipbuilding has been separated from the original proposal for the sake of convenience, but I understand that good progress is also being made in that field.

"That it is substantially the same as the original United States paper, FEC-218, is shown by the fact that the levels specified in it for the iron and steel, nickel smelting, machine tool, ball and roller bearing, sulphuric acid, soda ash, caustic soda and chlorine, nitric acid, thermal electric power, synthetic oil and synthetic rubber industries duplicate exactly the levels specified in the United States paper, while the levels for light metals are almost the same. The majority support which is now forthcoming for all these levels is an imposing achievement and I consider it to be a remarkable tribute not only to the technical skill of those on the United States side who worked out the original proposals but also to the willingness of other members of the Commission to make compromises.

"The divergencies between the new paper and the original United States proposal arise chiefly from a very natural desire on the part of many members to bring within the scope of reparations removals a few more minor industries. These are copper smelting and production of ferro-alloys, secondary metal-working machinery, industrial explosives, calcium carbide, railway equipment, motor vehicles and cement. The levels proposed for these industries have been arrived at after careful consideration and also represent majority agreement.

"In the course of committee discussion a divergence was revealed regarding the oil refining industry and oil storage capacity. The levels proposed in the original United States paper are reduced in the revised paper, but there are the strongest security reasons for these lower levels and it would be difficult to contend that they are not adequate for Japan's peaceful requirements from a strictly economic point of view. The majority also desired an inventory of machine tools somewhat smaller than that proposed by the United States.

"I do not say that we regard the present paper as perfect. As a concession to the majority opinion we in the United Kingdom Delegation have given up many points during the course of committee discussions to which we attached some importance. I am aware that other delegations have done the same. What I do say is that this paper is the most practical compromise between the different viewpoints of many countries which we are likely to reach.

"It has recently been remarked by many of our colleagues that it is a matter of the greatest urgency to reach a decision on reparations and levels of industry. This is true for many reasons which need not be repeated now. I therefore hope that the Commission will deal with this paper quickly, and I trust that we shall be able to avoid reopening technical discussions. In my view we have reached a stage when a reopening of technical discussions would be detrimental to the accomplishment of the important task to which we have set our hands."

MR. BULLOCK said that his Delegation considered the subject of Level of Economic Life in Japan to be the most important subject under consideration at any level of the Commission. It was an important achievement, furthermore, that a proposal on this subject had now reached the Commission level. The United Kingdom Representative had said that FEC-242/32 had stemmed from the United States proposal in FEC-218. This was of course true, but the present proposal was really much more than such a description of its development indicated. It was a logical step--and perhaps the final step as far as the Commission was concerned--in a process which had been going on within the Commission ever since its beginning, and indeed, had commenced before the inception of the Commission. The Potsdam Declaration provided that "Japan shall be permitted to maintain such industries as will sustain her economy and permit the exaction of just reparations in kind, but

FEC-CONFIDENTIAL

not those which would enable her to re-arm for war". All members of the Far Eastern Commission were conscious of the fact that in preparation for war Japan built up certain key industries far in excess of her peaceful needs. Accordingly the Commission had, among its earliest policy decisions, adopted one on the Determination of the Peaceful Needs of Japan (FEC-106/1) and had defined these peaceful needs substantially in terms of the standard of living prevailing in the years 1930-34 making due allowance for such factors as technological development, balance of payments, and employment.

The next step in this process, MR. BULLOCK continued, had been the adoption of a policy decision on the Reduction of Japanese Industrial War Potential (FEC-084/22) which arose from a United States proposal. This very important accomplishment in the history of the Commission had provided that as a measure supplementary to the destruction of war facilities that capacity in certain specific war-supporting industries in excess of that necessary to meet Japan's peaceful needs should be made available for removal as reparations. With the adoption of these two policy decisions the way had been cleared for the final task of expressing in concrete and mathematical terms of productive capacity the effect of these policy decisions. In accomplishing this it had of course been true that the United States proposal in FEC-218 had afforded the basis for discussion, and it was a tribute to the accuracy of the original proposals that, after many months of searching examination and independent calculations by a competent subcommittee, the ultimate findings had been not substantially different from the proposals in FEC-218. But the important point which he felt necessary to emphasize was that the present proposal was nothing more than an attempt to express in concrete mathematical terms existing policy decisions of the Far Eastern Commission.

MR. NACGIAR said that the French Delegation had actively participated in the discussion of the present proposal at the committee level. He had requested instructions from his Government with regard to FEC-242/32 and, while these instructions had not yet been received, he wished the Commission to know that in his personal opinion the proposal should be adopted as soon as possible, and that the reservation which he must maintain for the time being should be regarded as a favorable one.

DR. KOO said that the Chinese Government was strongly in favor of the Commission's adopting a policy decision on the question of levels of industry as quickly as possible, particularly because the matter was related to the question of reparations. The Chinese Delegation had taken an active part in committee discussions in the hope of working out a proposal which would be acceptable to the great majority of the Commission. The present proposal was not wholly satisfactory to the Chinese Government with regard to various important points on which his Delegation had proposed a number of amendments. Practically all of these amendments had failed of acceptance at the committee level, and accordingly the subject had been referred to the Chinese Government for further consideration and new instructions. The instructions had not yet been received, and in their absence the Chinese Delegation was not prepared to take definite action on the proposal.

MR. BANERJI said that the Indian Government was prepared to support the present proposal, FEC-242/32. Like other delegations, the Indian Delegation attached great importance to the proposal and in fact considered it the most urgent and the most important proposal before the Commission. He therefore wished to urge that early action be taken on the paper.

MR. JOVELLANOS said that he had referred FEC-242/32 to the Philippine Government and was still awaiting instructions.

MR. PANYUSHKIN said that the Soviet Delegation would be unable to express an opinion on this subject until instructions had been received from the Soviet Government.

GENERAL McCOY said that he too was without final instructions from his Government with regard to FEC-242/32.

Without objection, further consideration of this subject was postponed.

FEC--CONFIDENTIALITEM 6 - OTHER BUSINESSa Applications from the Governments of Pakistan and of Burma for Admission to the Far Eastern Commission

GENERAL McCOY presented the following statement with regard to the applications of Pakistan and Burma for admission to the Commission (subsequently circulated as FEC-286/5):

Pakistan

"The Far Eastern Commission on March 18 approved a communication to be sent by the Secretary General on behalf of the Far Eastern Commission to the Government of Pakistan in reply to its application for membership (FEC-286/4).

"This communication, after referring to the provision in the Terms of Reference regarding the addition of representatives of other United Nations, contained the following paragraphs:

'It was the unanimous view of the member delegates of the Far Eastern Commission that under this provision of its Terms of Reference the Commission does not possess the power to add to its number of representatives, as this was a matter for agreement among member Governments.

'In these circumstances you may consider it desirable to address an application to the host government with the request that the views of the participating powers be sought on the question of the admission of Pakistan to the Far Eastern Commission.'

"In accordance with the suggestion contained in this communication, the Ambassador of Pakistan

'.....transmitted a note to the Secretary of State in which he requested the Secretary "to take such steps as may be necessary in order to enable Pakistan to become a member of the Far Eastern Commission on account of its strong claims to full representation on the Commission and its committees".'

"I am authorized by my Government to bring this request from the Government of Pakistan to the attention of the Far Eastern Commission, and, if the procedure should be agreeable to the Commission, to request the members

'.....to obtain the views of their respective governments upon the substantive question of the admission of Pakistan to the Far Eastern Commission, and thereupon to utilize the machinery of the Far Eastern Commission as a means of polling the member governments, the representatives on the Commission voting in such case as representatives of their governments rather than as members of the Commission.'

"It is the view of my Government that unanimous consent of the member Governments of the Commission will be required for approval of applications for membership in the Commission."

Burma

"The Ambassador of Burma on April 30 transmitted a note to the Secretary of State seeking the assistance and cooperation of the United States Government in obtaining Burma's admission to the Far Eastern Commission. The note contained the following paragraphs:

'In fairness and justice Burma claims a voice in framing the Peace Treaty with Japan and in the distribution of reparations. In view of the extensive material damage and devastation

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suffered by her as the result of acts of aggression in a war for which she was in no way responsible, Burma requests and hopes that she may be accorded a rightful place on the Far Eastern Commission, and be given a voice in matters which affect her so vitally. There are few countries in the world which suffered as much damage as Burma did during the last World War, and certainly there is no country in the East which suffered so badly from acts of Japanese aggression.

'Burma was admitted to the United Nations Organization on 19th April 1948 by a unanimous vote of the General Assembly; and in appealing again to the good will of all nations she confidently looks forward to being admitted to the Far Eastern Commission at the earliest opportunity.'

"I am authorized by my Government to bring this additional request to the attention of the Far Eastern Commission and, if it should be agreeable to the Commission, to suggest that it adopt the procedure proposed in the case of the application from the Government of Pakistan."

MR. POWLES said that he had already received instructions from his Government which would enable him to give full support to both applications. Furthermore, he could, in general, support the United States proposal with regard to procedure.

MR. BANERJI, MR. COLLINS and MR. BULLOCK said that their respective positions were similar to that expressed by Mr. Powles.

MR. GRAVES said that the leader of the United Kingdom Delegation, in his capacity as Ambassador, was authorized to express views on the applications of Burma and of Pakistan.

DR. KOO said that China regarded herself as a close neighbor of Burma and of Pakistan and felt attached to both these countries in the common pursuit of international cooperation. It was the Chinese view that both these nations had strong claims to membership on the Far Eastern Commission. He considered however that the immediate question before the Commission had to do with the procedure rather than the merits of the two claims. He thought that there should first be a decision as to whether the suggested procedure was to be followed. If the decision were favorable, Representatives would then be enabled to act accordingly.

MR. NAGGIAR said that France had supported the admission of Burma and of Pakistan to the United Nations and that there was no question but that the present request would receive sympathetic consideration by France. However, he was without instructions at present. With regard to the suggested procedure, it was his personal view that there was no legal objection to such procedure on the part of representatives, if their governments should be agreeable.

GENERAL McCOY asked whether he might assume that the suggested procedure was acceptable.

MR. REUHLIN said that he could not at present agree to the suggested procedure.

MR. PANYUSHKIN stated that he could not agree with the proposal of the Chairman of the Commission to utilize the Far Eastern Commission as an intermediary for polling the opinions of member governments of the Far Eastern Commission on the question of admission to membership of Pakistan and Burma, since the admission of new members was outside the functions of the Far Eastern Commission and was, therefore, in contradiction to the procedure which had been defined by the Terms of Reference. In view of this he was not prepared, he said, to discuss this question both for the motives of procedural nature and, all the more, on the substance. These two questions could be decided upon only by the appropriate member governments of the Far Eastern Commission. As far as the applications of Pakistan

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and Burma were concerned, the doors were not closed to them to use the normal diplomatic channels. He further stated however that he would inform his Government of this question since it had been raised here by the Chairman of the Commission. He also stated further that until the receipt of instructions from the Governments the Far Eastern Commission had no right to consider here this question.

GENERAL McCOY said that the suggested procedure had been proposed simply as a matter of convenience and that there had been no thought of involving the Commission as such in any matters outside its jurisdiction.

DR. KOO said that if there were any question of submitting the applications of Burma and of Pakistan to the Commission for consideration, that is, if the question were whether the Commission should take up any task in addition to its already defined functions, he would have to seek the views of his Government.

GENERAL McCOY said that the suggestion was that representatives on the Commission would act, in transmitting their governments' views, as the representatives of their respective governments, and not as delegates to the Commission.

MR. GRAVES emphasized that his understanding in agreeing to the suggested procedure had been in accordance with this last remark by General McCoy. As he had said before, the leader of his Delegation was authorized in his capacity as Ambassador to consider the applications.

Without objection, further consideration of this subject was postponed.

The meeting adjourned at 12:15 P.M.

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COPY NO. _____

FEC--CONFIDENTIALMINUTES--108th FEC Mtg.27 May 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred Eighth Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N.W.,
Washington, D. C.
27 May 1948, 10:30 A. M.

REPRESENTATIVES PRESENT

Brigadier General Charles E. Saltzman (United States) Chairman pro tempore
His Excellency Mr. N. J. O. Makin (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
His Excellency Mr. Paul E. Naggiar (France)
Mr. S. N. Banerji (India)
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
His Excellency Mr. A. S. Panyushkin (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

SECRETARY GENERAL

Mr. Nelson T. Johnson

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

Minutes--108th FEC Mtg.

COPY NO. 133

4 June 1948

FEC-CONFIDENTIALRECORD OF APPROVAL OF THEMINUTES OF THE 108TH FEC MTG.FAR EASTERN COMMISSIONRECORD OF APPROVALMINUTES OF THE ONE HUNDRED AND EIGHTH MEETING OF THEFAR EASTERN COMMISSIONNote by the Secretary General

1. The Far Eastern Commission, at its one hundred ninth meeting, 3 June 1948, approved the provisional minutes of its one hundred eighth meeting with the following corrections:

Page 2 - fifth line, insert the word "of" between the words "necessity" and "providing".

Page 3 - second line of penultimate paragraph, delete the word "Japanese" and substitute the word "Chinese".

2. Representatives are requested to incorporate the above corrections in their copies of the provisional minutes of the one hundred eighth meeting of the Far Eastern Commission, and to attach this formal record of approval to these copies as corrected.

3. The attention of all concerned is invited to the classification of this document which prohibits the dissemination of any information contained therein to unauthorized persons or to the press.

NELSON T. JOHNSON
Secretary General

Record of Approval of the Minutes of the
108th Meeting of the Far Eastern Commission.

SUMMARY--FECFEC--CONFIDENTIALSUMMARY - 108th FEC Mtg.27 May 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 108th MEETINGITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED SEVENTH MEETING

Approved.

ITEM 2 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

Postponed.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/7; 300 series)

U.S. Representative withdrew FEC-300/7 and submitted an amendment to FEC-300/3 (subsequently circulated as FEC-300/8).

ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32)

Postponed.

ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Inquiry by Chinese Representative as to progress of negotiations. Further consideration postponed.

ITEM 6 - OTHER BUSINESS

None.

ITEM 7 - PRESS RELEASE

None.

Summary--Minutes, 108th FEC Mtg.

FEC-CONFIDENTIALELECTION OF CHAIRMAN PRO TEM

In the necessary absence of General McCoy, MR. JOHNSON opened the meeting and requested the nomination of a Chairman Pro Tem.

MR. GRAVES moved that Mr. Saltzman serve as Chairman Pro Tem. The motion was carried unanimously and MR. SALTZMAN assumed the Chair.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED SEVENTH MEETING

The COMMISSION unanimously approved the minutes of its one hundred seventh meeting.

ITEM 2 - CIVIL AVIATION IN JAPAN
(FEC-245/18; FEC-245/19)

MR. SALTZMAN said that the United States Government had not yet completed the formulation of its position on this subject.

Without objection, further consideration of this subject was postponed.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES
(FEC-300/3, FEC-300/7; 300 series)

MR. SALTZMAN said that the discussion at the last meeting of the Commission had indicated that there was little probability that either FEC-300/3 or FEC-300/7 would be approved. Therefore, in an attempt to find a solution to this question which would be acceptable to all Governments, the United States Government desired to withdraw FEC-300/7 and to submit a new proposal as an amendment to FEC-300/3. MR. SALTZMAN distributed typewritten copies of the United States proposed amendment to FEC-300/3 as well as copies of the following statement which he presented. (Proposed amendment and statement subsequently circulated as FEC-300/8):

"The recent discussions which we have had concerning the several papers on attendance at inter-governmental conferences of interest to the occupation of Japan indicate the difficulty of arriving at an agreement on a single paper covering all phases of the subject. The United States Government has carefully reviewed this entire problem and, in the interest of expediting harmonious action on the paper, proposes that the Commission concentrate its attention on those fundamental elements of the problem as a whole which require policy determination at this time and on which there seems to be general agreement. The United States therefore offers a revised proposal. (See text of proposal below)

"Please note that this revised proposal deals only with the question of SCAP attendance in a non-voting capacity at inter-governmental conferences to which he is invited. It permits his staff members to be accompanied by Japanese technical advisers if their attendance is acceptable to the host country. The proposal does not include any policy statement whatever on attendance at such conferences by the Japanese government in any capacity or by SCAP in a representative capacity. Thus far there have been no invitations to the Japanese government to attend inter-governmental conferences and there have been no invitations to SCAP to attend any such conferences in a representative capacity. It is therefore the

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of feeling of the United States delegation that the policy proposed is adequate to meet the realities of the present situation. It is our understanding that all members of this Commission are agreed on the desirability and, in fact, on the necessity, providing SCAP affirmatively with authority to attend inter-governmental conferences of interest to the occupation of Japan, in the capacity of an observer, and to be accompanied as necessary by Japanese technical personnel, if acceptable to the host government. If the Commission can agree to a policy such as that set out in the present United States proposal, the requirements of the present situation will be met. The United States is of the opinion that other aspects of this whole problem should appropriately be left for consideration in the future in the light of developments which might indicate the desirability of adopting policies different from those which seem desirable today.

"Since action on these other aspects is not necessary at this time it would be regrettable for the Commission to lay down prohibitions which might prove to be difficult, if not impossible, to remove in the future even though such a course were desired by the majority of the members.

"The present United States proposal, as you see, is not limited to 'technical' conferences. It is the feeling of the United States delegation that the use of such a limiting description would reduce the clarity of the policy and leave the way open for uncertainties on the part of SCAP and possible recriminations on the part of member governments. We feel that the members of this Commission, who will also no doubt be the key members of any contemplated inter-governmental conferences which might consider extending invitations to SCAP, would be fully capable in their individual capacities as participants in such conferences, of determining with respect to any particular conference whether or not it is one to which SCAP might appropriately be invited.

"We hope that this proposal may be acceptable as providing a first important step toward the solution of this question."

Text of Proposal

"The Far Eastern Commission decides as a matter of policy that:

"1. Upon receipt of an appropriate invitation SCAP may appoint members of his staff as observers at inter-governmental conferences, attendance at which he deems to be in the interest of the occupation.

"2. Members of SCAP's staff attending an inter-governmental conference on invitation as provided in Par. 1, may be accompanied by Japanese technical personnel when deemed necessary by SCAP, and when the attendance of Japanese personnel is acceptable to the country acting as host to the conference."

MR. POWLES said that previous discussions of this subject had indicated that all member Governments were vitally interested in the problem of attendance at inter-governmental conferences. All Governments, he felt sure, appreciated the endeavors of the United States Government to

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solve the difficulties in the way of agreement, some of which had not always been clear-cut. He wondered whether the United States Government, in an effort to remove one further difficulty in the way of agreement, could agree to incorporate in its proposal a provision to the effect that when the Supreme Commander did receive an invitation to send a representative to an inter-governmental conference, or when an invitation for attendance on behalf of the Japanese Government should be received, the Far Eastern Commission would be informed. If the United States Government could not agree to incorporate such a provision in the proposal, could it agree that in either of these eventualities it would undertake to inform the Commission of the receipt of an invitation of either of these types? MR. POWLES explained that he raised this query in the hope of ensuring that a way could be found whereby action on the part of the Supreme Commander in accepting such invitations would not take place before the Commission had been informed of the invitation. It would assist the New Zealand Government, and probably others, MR. POWLES said, in considering the United States proposed amendment, if the United States attitude to his suggestion could be known. Since invitations of the kind in question had not yet been sent to the Supreme Commander or to the Japanese Government, it might be possible to agree that the Commission should not now adopt a policy involving a prohibition on future action in regard to such invitations. It would be desirable to know, in this connection, however, what the intentions of the United States Government would be regarding informing the Commission of such invitations.

MR. SALTZMAN said that the United States delegation would wish to consider Mr. Powles' query and reply to it later.

DR. KOO expressed appreciation for the spirit of conciliation shown by the submission of this newest United States proposal. He was pleased to see that the United States point of view had been brought closer to that of the majority of member Governments and that the possibility of a policy decision on this subject had thereby been improved. He was particularly pleased to note Mr. Saltzman's statement that only observers with no voting capacity, as distinguished from "representatives", would attend conferences. The Chinese delegation had favored the restriction to "technical inter-governmental conferences". This restriction was not included in the present United States proposal, but in view of the concessions made in the United States position he was sure that the Chinese Government would be glad to reconsider its position with regard to this restriction.

DR. KOO asked whether he was correct in assuming that members of the Supreme Commander's staff who would attend inter-governmental conferences would be non-Japanese. MR. SALTZMAN replied in the affirmative. He pointed out that the text of the proposal distinguished between members of the staff of the Supreme Commander and Japanese technical personnel.

DR. KOO said that he would be very pleased to refer the proposed United States amendment to the ^{Chinese} ~~Japanese~~ Government and he hoped that the Chinese Government would see its way to approve the proposal.

MR. SALTZMAN pointed out that in his statement he had commented on the impracticability of restricting attendance to "technical conferences". The suitability of extending an invitation for SCAP observers was left to the inviting authorities to determine.

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MR. NAGGIAR recalled that the French delegation had previously raised the question of the procedure of invitation to inter-governmental conferences. He was pleased to see that the present United States proposal contained the phrase "appropriate invitation". This constituted recognition of the need for an appropriate invitation, although the procedure for such an invitation was not specified. It had been the French view that an appropriate invitation would have to go through the proper channels as laid down in the Terms of Reference of the Far Eastern Commission. In other words, it would be up to the host government or to the host organization to direct its invitation through those proper channels. Therefore, MR. NAGGIAR continued, France would be willing, as long as no procedure was specified in the proposal, to use what it conceived to be the proper channels as stated in the Terms of Reference of the Commission and would send invitations for attendance by SCAP observers either through the French representative on the Commission or through the French Ambassador to the United States, either of whom would transmit the invitation to the United States Government. In any case, such an invitation would not be transmitted by the French Government directly to the Supreme Commander.

MR. SALTZMAN remarked that since the Supreme Commander was an international officer, he could be invited to send observers to an inter-governmental conference through whatever channel was deemed appropriate by the host government. This might, he thought, include a direct invitation.

MR. REUCHLIN said that he was already apprised of his Government's views on this subject. He wished to congratulate the United States Government on the submission of the present amendment to FEC-300/7 and to state that he was prepared to support it wholeheartedly and to vote for it.

Without objection, further consideration of this subject was postponed.

ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY
(FEC-242/32)

MR. SALTZMAN said that the United States position on this subject was still reserved.

MR. JOVELLANOS said that the Philippine position was also reserved.

Without objection, further consideration of this subject was postponed.

- ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)
- b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

DR. KOO said that on the last occasion at which discussion of this subject had taken place, (page 7, Minutes, 99th FEC Meeting) he had understood that conversations among delegations would be undertaken in an effort to facilitate progress on the matter. He wondered whether the United States representative was in a position to report any favorable developments.

MR. SALTZMAN said that although the United States delegation still continued to hope for worthwhile results in the negotiations on the subject of reparations shares, he could not at this time report any specific progress.

Without objection, further consideration of this subject was postponed.

The meeting adjourned at 11:00 A.M.

COPY NO. _____

145FEC--CONFIDENTIALMINUTES--109th FEC Mtg.3 June 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred Ninth Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N.W.
Washington, D. C.
3 June 1948, 10:30 A.M.

REPRESENTATIVES PRESENT

Major General Frank R. McCoy (United States) Chairman
Mr. H. W. Bullock (Australia)
Mr. R. L. Rogers (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
His Excellency Mr. P. E. Naggiar (France)
Mr. S. N. Banerji (India)
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
Mr. S. K. Tsarapkin (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

SECRETARY GENERAL

Mr. Nelson T. Johnson

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

Minutes--109th FEC Mtg.
3 June 1948

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COPY NO. _____

10 June 1948

FEC--CONFIDENTIALRECORD OF APPROVAL OF THEMINUTES OF THE 109TH FEC MTG.FAR EASTERN COMMISSIONRECORD OF APPROVALMINUTES OF THE ONE HUNDRED AND NINTH MEETING OF THEFAR EASTERN COMMISSIONNote by the Secretary General

1. The Far Eastern Commission, at its one hundred tenth meeting, 9 June 1948, approved the provisional minutes of its one hundred ninth meeting with the corrections embodied in the attached revision of page 1.

2. Representatives are requested to insert the attached revision of page 1 in their file copies of the provisional minutes of the one hundred ninth meeting of the Far Eastern Commission, and to attach this formal record of approval to these copies as corrected.

3. The attention of all concerned is invited to the classification of this document which prohibits the dissemination of any information contained therein to unauthorized persons or to the press.

NELSON T. JOHNSON
Secretary General

Record of Approval of the Minutes of the
109th Meeting of the Far Eastern Commissio

SUMMARY--FECFEC--CONFIDENTIALSUMMARY--109th FEC Mtg.3 June 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 109th MEETINGITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED EIGHTH MEETING

Corrected and approved.

ITEM 2 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

Postponed.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/8; 300 series)

French, New Zealand, and United Kingdom representatives expressed support for FEC-300/8. Soviet representative submitted amendments (FEC-300/9). These amendments discussed and further consideration postponed.

ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32)

Postponed.

ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Postponed.

ITEM 6 - OTHER BUSINESS

None.

ITEM 7 - PRESS RELEASE

None.

FEC--CONFIDENTIAL

GENERAL McCOY, in opening the meeting, presented Mr. M. W. Dening, who was attending as a guest of the United Kingdom Delegation. GENERAL McCOY explained that Mr. Dening was an Undersecretary of the Foreign Office in charge of all matters concerning the Far East and Southeast Asia.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED EIGHTH MEETING

The COMMISSION unanimously approved the minutes of its one hundred eighth meeting with the following corrections:

Page 2 - fifth line, insert the word "of" between the words "necessity" and "providing".

Page 3 - second line of penultimate paragraph, delete the word "Japanese" and substitute the word "Chinese".

ITEM 2 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

GENERAL McCOY said that the United States position on this subject had not yet been definitively formulated. He therefore requested that further consideration be postponed.

Without objection, further consideration of this subject was postponed.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES
(FEC-300/3, FEC-300/8; 300 series)

MR. NAGGIAR said that he was now prepared to support the United States amendment FEC-300/8.

GENERAL McCOY referred to the query by the New Zealand Representative (page 3, Minutes, 108th FEC Meeting) regarding the receipt by the Supreme Commander of invitations to send representatives to inter-Allied conferences or of invitations for attendance on behalf of the Japanese Government. GENERAL McCOY said that he was authorized to state, in reply to this query that in any case of the receipt by the Supreme Commander of an invitation to either of these types of conferences, the Far Eastern Commission would be promptly informed.

MR. POTLES said that in view of the statement just made by General McCoy he could support FEC-300/8.

MR. GRAVES said that the United Kingdom Government found FEC-300/8 entirely satisfactory and accordingly, he could support it.

MR. TSARAPKIN said that FEC-300/8 would be acceptable to the Soviet Delegation if the following amendments were incorporated (subsequently circulated as FEC-300/9):

"Para. 1: a. insert the word 'technical' between the word 'inter-governmental' and the word 'conferences'.

follows: b. after paragraph 1 add a new subparagraph as

'SCAP may also send his observers to other conferences when it is approved in advance by the Far Eastern Commission.'

"Para. 2: insert the word 'technical' between the words 'inter-governmental' and 'conferences'."

FEC-CONFIDENTIAL

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ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED EIGHTH MEETING

The COMMISSION unanimously approved the minutes of its one hundred eighth meeting with the following corrections:

Page 2 - fifth line, insert the word "of" between the words "necessity" and "providing".

Page 3 - second line of penultimate paragraph, delete the word "Japanese" and substitute the word "Chinese".

ITEM 2 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

GENERAL McCOY said that the United States position on this subject had not yet been definitively formulated. He therefore requested that further consideration be postponed.

Without objection, further consideration of this subject was postponed.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES
(FEC-300/3, FEC-300/8; 300 series)

MR. NAGGIAR said that he was now prepared to support the United States amendment FEC-300/8.

GENERAL McCOY referred to the query by the New Zealand Representative (page 3, Minutes, 108th FEC Meeting) regarding the receipt by the Supreme Commander of invitations to send representatives to inter-governmental conferences or of invitations for attendance in any capacity on behalf of the Japanese Government. GENERAL McCOY said that he was authorized to state, in reply to this query that, first, in the case of an invitation for SCAP to attend an inter-governmental conference in a representative capacity or, second, an invitation for the Japanese Government to attend an inter-governmental conference in any capacity, the Far Eastern Commission will promptly be informed.

MR. POWLES said that in view of the statement just made by General McCoy he could support FEC-300/8.

MR. GRAVES said that the United Kingdom Government found FEC-300/8 entirely satisfactory and accordingly, he could support it.

MR. TSARAPKIN said that FEC-300/8 would be acceptable to the Soviet Delegation if the following amendments were incorporated (subsequently circulated as FEC-300/9)

"Para. 1: a. insert the word 'technical' between the word 'inter-governmental' and the word 'conferences'.

b. after paragraph 1 add a new subparagraph as follows:

'SCAP may also send his observers to other conferences when it is approved in advance by the Far Eastern Commission.'

"Para. 2: insert the word 'technical' between the words 'inter-governmental' and 'conferences'."

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GENERAL McCOY drew attention to the United States position with regard to limiting the Commission's policy decision to "technical" conferences. This position had been expressed by the United States Representative at the last meeting (page 2, Minutes, 108th FEC Mtg.) as follows:

"The present United States proposal, [FEC-300/8], as you see, is not limited to 'technical' conferences. It is the feeling of the United States Delegation that the use of such a limiting description would reduce the clarity of the policy and leave the way open for uncertainties on the part of SCAP and possible recriminations on the part of member governments. We feel that the members of this Commission, who will also no doubt be the key members of any contemplated inter-governmental conferences which might consider extending invitations to SCAP, would be fully capable in their individual capacities as participants in such conferences, of determining with respect to any particular conference whether or not it is one to which SCAP might appropriately be invited."

In view of this position, GENERAL McCOY said, the Soviet proposal to limit the scope of the proposed policy decision to "technical" conferences would not be acceptable to the United States Government. However, he added, most inter-governmental conferences would in a sense be "technical", at least for the time being. He wondered whether the statement he had just made in reply to the New Zealand query would not cover the Soviet point in connection with the limitation of conferences to "technical" conferences.

GENERAL McCOY said that as he had stated on previous occasions, the Far Eastern Commission was not authorized either by its Terms of Reference or by any precedents derived from its own previous activities to act as an administrative controlling body in connection with particular incidents or particular individuals. It was the United States position that the Commission's decision should embody a broad policy and should not represent an effort to exercise supervision over routine administrative functions. The Commission's proper function was to provide policy for the governing of Japan rather than to attempt to govern Japan. He hoped that there could be agreement on this distinction. If there could not be, the result would be simply complete failure in finding a policy proposal acceptable to the entire Commission. It would be especially regrettable, he thought, if the Commission, now so near agreement after many months of discussion of the present subject, should fail to achieve that agreement.

GENERAL McCOY said that he was instructed by his Government to state that the Commission would be informed periodically with regard to overseas travel authorized by SCAP of Japanese nationals for whatever reasons. An initial report of such travel covering the period 1 April to 31 May would be made available shortly.

MR. TSARAPKIN said that the amendments which the Soviet Delegation had just submitted to the Commission did not in any way change the character of the paper under discussion as one having the character of a policy decision. In submitting these amendments, the Soviet Delegation, he said, was trying to find such a compromise decision which would be acceptable for everyone in order that a unanimous agreement could be reached on this paper. The Soviet Delegation felt that the clarification which had been offered to the effect that the Supreme Commander was to send his observers to technical inter-governmental conferences was necessary.

The Soviet Delegation considered that in those cases where technical conferences were involved the Commission could by way of a policy decision give the Supreme Commander the authority to participate in technical conferences under the conditions stated in paragraph 1. But when other conferences were involved which were not of a technical character, it was the Soviet Delegation's view that in such cases there should be a prior decision of the Far Eastern Commission since, if there were no such decision of the Commission approving the participation of SCAP's observers at non-technical inter-governmental conferences it might happen that the action

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on the part of the Supreme Commander would be in contradiction with the policy decisions already adopted by the Commission, and in any case, this would exceed the authority of the Supreme Commander as an executive authority if there were no special decision of the Commission to that effect. Therefore, MR. TSARAPKIN concluded, the Soviet Delegation had submitted these amendments which in his opinion would reconcile the United States proposal and the Soviet Delegation's view as he had just outlined it and, if these amendments would be incorporated in the paper, the Soviet Delegation would vote for this paper.

MR. REUCHLIN expressed surprise that the Soviet Delegation had proposed limiting the scope of the proposed policy decision to "technical" inter-governmental conferences. He recalled that at one stage of the long discussion of this subject this limitation had been proposed and that the Soviet Delegation had opposed its inclusion on the ground that there was no such thing as a "technical" conference, that every conference, no matter how "technical", had a political aspect. After exhaustive discussion in the Steering Committee there had been general agreement to omit the limitation to "technical" conferences and only now, after its own efforts to bring about this general agreement, was the Soviet Delegation advocating the insertion of the limitation.

MR. POWLES said that in the course of the long discussions which had taken place on this subject many delegations had successively taken up positions formerly held by other delegations. At a previous stage of discussion the New Zealand Delegation had favored the use of the word "technical". However, it had been apparent that there was a great difference of opinion as to the meaning of the word, and the New Zealand Delegation had endeavored (FEC-300/5) to lay down a specific definition of the term. This definition had received little consideration, and subsequent discussions had indicated that several delegations had opposed the use of the word no matter how it was defined. In view of this ambiguity connected with the word and the opposition to its use, the New Zealand Delegation had abandoned its advocacy of its inclusion. It now appeared, however, that the Soviet Delegation favored the use of the word, but he did not consider it appropriate, in view of the extended discussions which had occurred, that the New Zealand Delegation should again change its position and join the Soviet Delegation on this point.

MR. POWLES said that, as he had stated earlier at the present meeting, the New Zealand Delegation was now able to support FEC-300/3 in view of the undertaking on the part of the United States Government to inform the Commission of any invitations for SCAP representation or for attendance at conferences on behalf of the Japanese Government. He would therefore have to oppose the insertion of the word "technical" if it were formally proposed by the Soviet Delegation. In view of the great differences of opinion which had been expressed in regard to the meaning of the word, he thought that it would be a mistake to reconsider its use. In general, it was a great mistake to include in any international agreement a word about which there was any lack of understanding or difference of interpretation.

MR. TSARAPKIN said that he wanted to give certain clarifications of the Soviet Delegation's position on this matter at earlier stages of the discussion of this question.

It was true that the Soviet Delegation had been opposed to authorizing the Supreme Commander to send his observers to technical conferences without special decisions of the Commission to that effect in each specific case. To avoid the ambiguity in the interpretation of the term "technical" the Soviet Delegation had suggested the term "purely technical" hoping that it would be always possible to find a mutual point of view as to what could be called "purely technical" conferences. The present Soviet amendments, MR. TSARAPKIN continued, constituted a movement in the direction of reaching a compromise for the purpose of obtaining a general agreement, namely, the Soviet Delegation agreed that paragraph 1 should authorize the Supreme Commander himself under the provisions stated therein to send his observers to technical conferences against which authorization the Soviet Delegation

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had previously objected. Moreover, by an addition to paragraph 1 the Soviet Delegation agreed that the Supreme Commander could send his observers even to non-technical conferences but with a prior decision of the Commission to that effect. The Soviet Delegation considered that these amendments were namely within the jurisdiction of the Commission and that the policy decision which would be adopted including the amendments submitted by the Soviet Delegation safeguarded both the rights of the Supreme Commander and the rights of the Far Eastern Commission itself, which rights of the Commission should not be neglected.

MR. NAGGIAR said that those who had advocated the use of the word "technical" had done so out of a desire to assure that the Commission would not be bypassed in deciding on the attendance by SCAP observers at any important conferences rather than out of a desire to have a clear-cut definition of "technical". In order to achieve unanimity he wondered whether the United States proposal, FEC-300/8, could not be combined with the undertaking regarding invitations for SCAP representation or for representation on behalf of the Japanese Government into one paper. If this were done, there perhaps would be no reason for the Soviet Delegation to insist on the adoption of its proposed amendments.

DR. KOO said that if it were intended to put the Soviet amendments to a vote he would like to outline the present position of the Chinese Delegation. His Delegation had always favored the inclusion of the qualification "technical". However, in view of the difficulty in reaching agreement on this qualification and in view of the conciliatory spirit represented by the United States proposal, FEC-300/8, he had announced at the last meeting (page 3, Minutes, 108th FEC Mtg.) that the Chinese Delegation would not urge further the inclusion of the word "technical" and would recommend to the Chinese Government that FEC-300/8 be accepted. That recommendation had been sent to the Chinese Government, and, pending the receipt of instructions, the Chinese Delegation would abstain from voting on the inclusion of the qualification "technical". The Chinese Delegation in taking its present position recognized the force in the statement of the United States Representative at the last meeting that it was difficult to arrive at a clear-cut definition of the term "technical". Furthermore, it was true that most of the conferences which had taken place since the end of the war had been of a technical nature and most of those in the foreseeable future would also be technical. Since, then, relatively few conferences not of a clearly technical nature could be anticipated and since the Commission would be informed of invitations for representation received by the Supreme Commander or for representation on behalf of the Japanese Government, the insertion of the term "technical" would seem to have less importance now than it had previously.

GENERAL McCOY said that it was apparent that the Soviet Delegation had endeavored, in presenting its amendments, to reach a basis for unanimous agreement. On the other hand, he felt that his own statement, taken with those made by the French Representative and the Chinese Representative, met the Soviet position. He wished, therefore, instead of bringing the Soviet amendments to a vote, to postpone further consideration in order to afford an opportunity for informal discussions.

Without objection, further consideration of this subject was postponed.

ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32)

MR. JOVELLANOS said that he expected instructions on this subject by the time of the next meeting of the Commission.

Without objection, further consideration of this subject was postponed.

ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Without objection, further consideration of this subject was postponed.

The meeting adjourned at 11:50 A.M.

COPY NO. 182FEC--CONFIDENTIALMINUTES--110th FEC Mtg.9 June 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred Tenth Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N. W.,
Washington, D. C.
9 June 1948, 10:30 A.M.

REPRESENTATIVES PRESENT

Major General Frank R. McCoy (United States) Chairman
His Excellency Mr. N. J. O. Makin (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
His Excellency Mr. Paul E. Naggiar (France)
Mr. S. N. Banerji (India)
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
Mr. S. K. Tsarapkin (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

SECRETARY GENERAL

Mr. Nelson T. Johnson

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

Minutes--110th FEC Meeting
9 June 1948

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COPY NO. _____

16 June 1948

FEC-CONFIDENTIALRECORD OF APPROVAL OF THEMINUTES OF THE 110TH FEC MEETINGFAR EASTERN COMMISSIONRECORD OF APPROVALMINUTES OF THE ONE HUNDRED AND TENTH MEETING OF THEFAR EASTERN COMMISSIONNote by the Secretary General

1. The Far Eastern Commission, at its one hundred and eleventh meeting, 16 June 1948, approved the provisional minutes of its one hundred and tenth meeting with no corrections.
2. Representatives are requested to attach this formal record of approval to their file copies of those minutes.
3. The attention of all concerned is invited to the classification of this document which prohibits the dissemination of any information contained therein to unauthorized persons or to the press.

NELSON T. JOHNSON
Secretary General

Record of Approval of the Minutes of
the 110th Meeting of the Far Eastern
Commission.

SUMMARY--FECFEC--CONFIDENTIALSUMMARY - 110th FEC Mtg.9 June 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 110th MEETINGITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED NINTH MEETING

Corrected and approved.

ITEM 2 - CHAIRMAN OF COMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES (FEC-206/7)

Commission unanimously approved election of Rear Admiral S. S. Ramishvili as Chairman of Committee No. 4, vice Mr. G. G. Dolbin.

ITEM 3 - ACCESS TO JAPANESE TECHNICAL AND SCIENTIFIC INFORMATION IN JAPAN (FEC-280/8; 280 series)

Soviet Representative proposed amendment. Amendment discussed and further consideration postponed.

ITEM 4 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/8, FEC-300/9)

Soviet proposed amendments (FEC-300/9) defeated. Proposed policy decision as amended by FEC-300/8 adopted by a vote of 10 in favor with one abstention (U.S.S.R.)

ITEM 5 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32)

Australian, French, and Philippine reservations removed. Further consideration postponed.

ITEM 6 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

Postponed.

ITEM 7 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Postponed.

ITEM 8 - OTHER BUSINESS

None.

ITEM 9 - PRESS RELEASE

Text of policy on Attendance at Inter-Governmental Conferences to be released to press in normal course.

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ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED NINTH MEETING

THE COMMISSION unanimously approved the minutes of its one hundred ninth meeting with the following corrections:

Page 1 - Revise the second paragraph under Item 3 to read:

"GENERAL McCOY referred to the query by the New Zealand Representative (page 3, Minutes, 108th FEC Mtg.) regarding the receipt by the Supreme Commander of invitations to send representatives to inter-governmental conferences or of invitations for attendance in any capacity on behalf of the Japanese Government. GENERAL McCOY said that he was authorized to state, in reply to this query that, first, in the case of an invitation for SCAP to attend an inter-governmental conference in a representative capacity or, second, an invitation for the Japanese Government to attend an inter-governmental conference in any capacity, the Far Eastern Commission will promptly be informed."

ITEM 2 - CHAIRMAN OF COMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES (FEC-206/7)

THE COMMISSION unanimously approved FEC-206/7, the recommendation of the Secretary General that Rear Admiral S. S. Ramishvili of the Soviet Delegation be elected Chairman of Committee No. 4: Strengthening of Democratic Tendencies, vice Mr. G. G. Dolbin.

ITEM 3 - ACCESS TO JAPANESE TECHNICAL AND SCIENTIFIC INFORMATION IN JAPAN (FEC-280/8; 280 series)

MR. NAGGIAR inquired concerning the position of the United States Delegation with regard to FEC-280/8. GENERAL McCOY replied that the proposal was acceptable to the United States Government. From the standpoint of its own interests, the United States Government was not vitally concerned in the substance of the proposal, but did appreciate the concern of other member governments in the matter and was desirous of meeting their wishes.

MR. TSARAPKIN said that at the Steering Committee the Soviet Representative had submitted an amendment which provided that the technical representatives appointed by governments in accordance with this policy could have the necessary staff of interpreters. The Soviet Delegation considered the proposed amendment to be an improvement in the proposed policy decision and, since the problem involved was the receipt of technical information in the Japanese language, the question of interpreters in this case had special importance.

GENERAL McCOY said that the proposed amendment did not seem on the face of it to have any direct bearing on the proposed policy decision. Since the amendment had been defeated at the Steering Committee at its last meeting, he thought it desirable for the Commission to be informed of what had transpired at that meeting and accordingly he called on the Acting Chairman of the Steering Committee, Mr. Reuchlin, for comments

MR. TSARAPKIN said that he had no objections if the Chairman of the Steering Committee would inform the Commission of discussions that had taken place in the Steering Committee. As to the amendment which had been submitted by the Soviet Representative at the Steering Committee, he would now formally propose its adoption in the Commission. He moved that FEC-280/8 be amended to include the following additional paragraph:

"The technical representatives appointed by Governments in accordance with this decision may have the necessary staff of interpreters."

MR. REUHLIN said that the Soviet Member of the Steering Committee had proposed the amendment which had just been submitted by Mr. Tsarapkin.

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Several members of the Steering Committee had not been in a position to state the views of their respective governments on the amendment. A majority of the members of the Steering Committee had personally favored the substance of the amendment but had felt that it dealt with implementation and should therefore not be included in the proposed policy decision. Since the time-period of the proposed policy decision would begin to run on 1 July 1948, apparently all members had regarded the subject as one of extreme urgency and all except the Soviet Member had therefore preferred that the proposed policy be adopted without the Soviet amendment, since, although they were sympathetic towards the amendment they felt that discussion of it would delay adoption of the paper. It had therefore been the view of ten of the members of the Steering Committee that the proposal, imperfect though it might be in the views of some members, should be forwarded to the Commission without the inclusion of the Soviet amendment, in the hope of reaching early agreement on it.

MR. REUCHLIN said that the Soviet amendment had been submitted at the Steering Committee in connection with information laid before the Steering Committee by the United States Delegation. This information had made it clear that the Supreme Commander did not contemplate clearing such personnel as interpreters and secretaries for admittance to Japan. The Chinese Member had asked whether there would be any objection to use by a technical representative of the services of an interpreter already in Japan with an official mission. No definitive answer had as yet been obtained to the Chinese Member's query.

GENERAL McCOY said that the information to which Mr. Reuchlin had referred was contained in Enclosure "B" of SC-280/6. This enclosure had been circulated to the Steering Committee for information and he now desired to invite the attention of the Far Eastern Commission to the information contained therein. GENERAL McCOY said that the query by the Chinese Member of the Steering Committee to which Mr. Reuchlin had referred had been transmitted to the United States Department of State and a reply was awaited by the United States Delegation.

MR. TSARAPKIN said that he wished that the amendment, which he had just formally submitted, be adopted by the Commission. This amendment in its character was such that it could be fully incorporated in the proposed policy decision. Many examples of policy decisions might be given in which it was necessarily provided that one or another commission or representative should be accompanied by a staff of interpreters, *et cetera*, and the present amendment was therefore not unusual in any way. But the inclusion of this amendment would, indeed, give the Commission a guarantee that this policy decision would be properly carried out, since, if there were objections to the inclusion of this amendment into the text of the decision, the question would arise why this amendment which logically followed from the proposed decision was not acceptable. In such a case a legitimate apprehension would arise that the question of interpreters might be used to hinder the fulfillment of this decision. If technical representatives were not accompanied by an appropriate staff of interpreters and translators the policy decision on technical and scientific information would remain only on paper and practically would be unfulfillable. The Soviet Delegation would therefore insist on the inclusion of this addition into the policy decision.

GENERAL McCOY asked whether the Soviet Representative desired an immediate vote on his amendment or whether he could agree to allow time for consideration. The amendment would not be acceptable to the United States Delegation at present, he said, and it seemed to him that there should be an opportunity for consideration.

MR. TSARAPKIN said that he had no objection to the Commission Members thinking this question over in order to take a decision at the next meeting regarding the question of technical and scientific information, including the amendment by the Soviet Delegation. He would still like however to hear an explanation as to why this amendment was not acceptable to the United States at present.

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GENERAL McCOY said that it had always been his view that proposals which came to the Commission should have been thoroughly considered and discussed at the committee level in connection with any amendments which the various delegations might care to introduce. The present proposal as shown in FEC-280/8 was acceptable to the United States Government as a broad policy. The Soviet amendment, however, appeared to be purely implementation and had reference to the manner in which the broad policy would be carried out. The points raised by the Soviet Representative would naturally receive consideration, but it did not seem to him that the amendment could appropriately be included as part of a broad policy. In the effort to get agreement among the eleven nations it was always important to formulate decisions along lines of broad general policy and to refrain from any attempt to include details of administration.

GENERAL McCOY said that the United States Government appreciated that the technical and scientific information desired could not be made available without translation by interpreters. Therefore, inquiry was being made of the Supreme Commander as to what administrative arrangements could be made for the presence of interpreters and secretaries. He repeated that it was the opinion of the United States Government that the matter was one of implementation and not of policy, but he could not imagine the Supreme Commander putting any unnecessary obstacles in the way of a Commission policy decision.

MR. TSARAPKIN said that he would have to oppose the argumentation by the United States Representative against the inclusion of the amendment proposed by the Soviet Delegation. The groundlessness of the United States Representative's contention lay in the fact that the Soviet amendment did not relate to the implementation of policy. He brought the following examples:

a. The Decision of the Council of Foreign Ministers in Moscow in December 1945; Paragraph VI-2 (Terms of Reference of the Far Eastern Commission) of that Decision read as follows:

"Each Representative of the Commission may be accompanied by an appropriate staff comprising both military and civilian personnel."

b. The Commission was to consider at this meeting the question of "Attendance at Inter-Governmental Conferences"; the draft of that policy stated that a SCAP's observer might be accompanied by Japanese experts and technical personnel. There were many more examples, MR. TSARAPKIN continued, in which the question of technical personnel accompanying representatives had been specifically stipulated.

In all these cases, MR. TSARAPKIN said, the question never had arisen that this had been a technical detail or a matter of the implementation of policy. In the present case the Soviet amendment was exactly of the same character as the examples enumerated by him above. Therefore, MR. TSARAPKIN said that the only objection to the Soviet amendment voiced here by the United States Representative was, as followed from the above examples, unfounded. The Chairman of the Steering Committee had reported just now that the attitude of the Committee toward this Soviet amendment was favorable and the only thing that kept the Committee members from voting for the Soviet amendment was, as he understood from the report of the Chairman of the Steering Committee, the objection by the United States Representative to this amendment. Thus the adoption of the Soviet amendment, which was acceptable to everybody except the U.S.A., and the early adoption of the decision on this paper, depended on the position of the United States Representative. It seemed to him, MR. TSARAPKIN concluded, there could be no convincing arguments against the inclusion of the Soviet amendment in the document unless there were other purposes which were not being mentioned here.

GENERAL McCOY said that he would bring the foregoing discussion to the attention of his Government, and suggested that further consideration of this subject be postponed until the next meeting.

Without objection, further consideration of this subject was postponed.

FEC--CONFIDENTIALITEM 4 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3,
FEC-300/8, FEC-300/9)

GENERAL McCOY recalled that at a previous meeting (pages 1 and 2, Minutes, 108th FEC Mtg.) the United States Representative had submitted information regarding the position of his Government on this subject. The New Zealand Representative at that time (page 3, Minutes, 108th FEC Mtg.) had raised a query regarding notification to the Commission whenever the Supreme Commander should receive an invitation to send a representative to an inter-governmental conference or an invitation for attendance on behalf of the Japanese Government. The United States Representative had replied to this query at the last meeting of the Commission (page 1, Minutes, 109th FEC Mtg.) that the Far Eastern Commission would be promptly informed of the receipt of any invitation for SCAP to attend an inter-governmental conference in a representative capacity or of any invitation for the Japanese Government to attend inter-governmental conferences in any capacity. He was now authorized to state, further, in connection with invitations for SCAP to attend inter-governmental conferences in the capacity of non-voting observers, that the Commission would be informed of all such invitations which were accepted by the Supreme Commander.

GENERAL McCOY recalled that further consideration of this subject had been postponed at the last meeting in order to afford an opportunity for informal discussions between the United States and Soviet Delegations regarding the Soviet amendments (FEC-300/9), and also pending the receipt by the Chinese Representative of a reply to his recommendation to his Government that it no longer insist on the limitation of the proposed policy decision to "technical" conferences. Informal discussions had taken place between the Soviet and United States Delegations, and further consideration of the Soviet amendments now seemed practicable, if the Chinese Representative had received a reply from his Government.

DR. KOO said that a favorable reply had been received from the Chinese Government and that he was now authorized to support the adoption of FEC-300/8 without the limitation to "technical" conferences.

MR. TSARAPKIN pointed out that paragraph 1 of FEC-300/8 provided:

"Upon receipt of an appropriate invitation SCAP may appoint members of his staff as observers at inter-governmental conferences, attendance at which he deems to be in the interest of the occupation."

But the point was, he felt, that the attendance of SCAP representatives as observers at inter-governmental conferences of non-technical character, i.e., at some political conferences, might lead to serious consequences, since such attendance might be in contradiction to the policy decisions already adopted by the Commission. Therefore the Soviet amendment to paragraph 1 provided that the Supreme Commander could not send his observers to other conferences, meaning the non-technical conferences, without prior approval of the Far Eastern Commission. But the wording suggested in the draft submitted by the United States Delegation would give the Supreme Commander freedom of action in this important political question which fell under the jurisdiction of the Far Eastern Commission but not of the Supreme Commander. In drawing the attention of members of the Commission to this circumstance the Soviet Delegation considered it most important that its amendment to paragraph 1 be adopted and that the right of the Supreme Commander to send his observers to inter-governmental conferences, without prior decision of the Commission, be limited to technical conferences.

THE COMMISSION voted separately on each of the three Soviet proposed amendments shown in FEC-300/9. Each of these amendments was lost by a vote of 1 (U.S.S.R.) in favor to 7 (Australia, Canada, India, Netherlands, New Zealand, United Kingdom, United States) opposed with 3 abstentions (China, France, Philippine Republic).

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GENERAL McCOY said that if there were no objection he would call for a vote on FEC-300/8, the United States proposed substitute for FEC-300/3.

THE COMMISSION approved FEC-300/8 by a vote of 10 in favor with 1 abstention (U.S.S.R.).

Without objection, GENERAL McCOY declared FEC-300/8 adopted as a policy decision of the Commission.

DR. KOO said that his vote in favor of FEC-300/8 had been cast on the understanding that the term "observers" as used in the paper meant "non-Japanese observers". He pointed out that this understanding had been implied throughout the discussion of the paper, and he referred particularly to the discussion between himself and the United States Representative, Mr. Saltzman, as recorded in the Minutes (page 3) of the 108th Far Eastern Commission meeting as follows:

"DR. KOO asked whether he was correct in assuming that members of the Supreme Commander's staff who would attend inter-governmental conferences would be non-Japanese. MR. SALTZMAN replied in the affirmative. He pointed out that the text of the proposal distinguished between members of the staff of the Supreme Commander and Japanese technical personnel."

MR. JOVELLANOS presented the following formal statement:

"In the interest of getting agreement on the subject of attendance at inter-governmental conferences, we are supporting document FEC-300/8. In doing so, however, we should like to remain on record as being opposed to the attendance by Japanese nationals, in any capacity, at inter-governmental conferences. We firmly believe that the presence of non-Japanese members of SCAP's Staff in such conferences as non-voting observers would be adequate in promoting the interests of the occupation. In our view, attendance by Japanese nationals would serve very little purpose at this time.

"We desire also to record our understanding that such Japanese technical personnel as may be assigned by SCAP to accompany non-Japanese members of his Staff will be carefully screened and will be prohibited from engaging in any political or propaganda activities while abroad and, therefore, no provisions to this effect had been included in the policy."

GENERAL McCOY said that the Chinese and Philippine statements of understanding would be transmitted to the Supreme Commander with the directive based on the policy decision.

GENERAL McCOY congratulated Representatives on the reasonable attitude of all concerned which had finally made possible the adoption of a policy decision on this subject.

ITEM 5 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32)

MR. JOVELLANOS presented the following formal statement (subsequently circulated as FEC-242/33):

"Almost ten months ago this Commission adopted a policy establishing the principles and criteria to be applied in effecting a reduction in Japan's war-making potential. This policy provided that all special purpose industrial machinery and equipment functionally limited to the manufacture of combat equipment end-products should be destroyed and that all other machinery and equipment in primary war industries, and such other facilities in secondary war industries and war-supporting industries as may be in excess of the peaceful needs of Japan, should be made available for claim as reparations. It provided that a prohibition should be maintained against the

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re-establishment of primary war industries in Japan and the participation of any Japanese in the ownership or operation of such facilities outside Japan. Finally, it stipulated that the productive capacities in certain specified war-supporting industries should be limited to the levels to be determined by the Far Eastern Commission.

"It is well to recall at this point the underlying motives for the adoption of the above policy. Japan had built up, during the decade preceding the invasion of the Philippines, a huge industrial structure for the purpose of engaging in a war of aggression. It is imperative to destroy or remove certain portions of this structure if she were to be rendered incapable of re-arming for war in the future. The industrial facilities which are in excess of Japan's peaceful needs should provide, it was explained, a large volume of Japanese assets for transfer as reparations to countries which had suffered from the effects of Japanese cruelty and greed. The removal of these excess facilities should reduce the danger not only of Japan's re-arming for war but also of her achieving a position of economic dominance over her former victims by exploiting her war-expanded industries. The latter course would seriously impair a more balanced and economic development of the Far East, the freedom and prosperity of which is indispensable to a free and prosperous world. The program envisaged in the policy is designed therefore to serve the interests of security through a system of industrial disarmament and reparations removals.

"The policy proposal now before us, FEC-242/32, sets forth in definite terms what portion of Japan's industrial empire should be destroyed or removed in accordance with the reduction of industrial war potential policy. The productive capacity levels proposed in the different categories of Japanese industry have been arrived at after lengthy discussions in the working committees. They are based on a Commission policy which defined the peaceful needs of the Japanese people as 'substantially the standard of living prevailing in Japan during the period 1930-34'.

"Like most policy proposals considered before and adopted by this Commission, FEC-242/32 is not perfect. My Delegation, for one, feels that certain levels are too high and that there are not enough categories of industry from which could be drawn industrial facilities for distribution as reparations. We had submitted at an early stage of the discussions amendments designed to meet our objections. Some of these amendments were rejected--much to our disappointment. But, as has been previously pointed out by many of our colleagues, the paper as now drafted is a practical compromise. Indeed all our policy decisions have been a series of compromises achieved through a spirit of cooperation and understanding among all member governments.

"My inability to submit to this Commission a definition of the Philippine position on FEC-242/32 at an earlier date stemmed not from a desire on the part of my Government to continue keeping the Japanese people in the dark as to what portions of their industrial capacity should be left to them. We sincerely believe that they are entitled to an early pronouncement from the Commission on this issue. My Government after careful consideration of the various questions and viewpoints involved and in an effort to bring about final settlement of this problem has decided to forego its original intentions of submitting new amendments which would re-open technical discussions and result in more delay. We are now prepared to give full support for the adoption of FEC-242/32. We feel that the industrial levels proposed therein are generous enough to assure Japan of a decent living standard and a high degree of self-sufficiency through hard work and a determined effort to limit its activities to the legitimate and wholesome enterprises of peace. Mr. Chairman, my Government joins other member governments around this table in urging most strongly the early adoption of the document now before us."

MR. NAGGIAR said that he was now in a position to state that the French Delegation could support adoption of FEC-242/32. He felt that the sooner

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the proposal were put to a vote the better it would be for member governments and for Japan.

MR. GRAVES observed that, with the heartening statements just made by the Philippine and French Representatives, there appeared to be close to a substantial majority in favor of FEC-242/32. He wondered whether any other representatives who had not yet expressed definitive views were in a position to comment at this time.

MR. MAKIN said that he was now in a position to remove the Australian reservation with regard to the levels specified for the nitric acid and chlorine industries and could support the adoption of FEC-242/32.

Without objection, further consideration of this subject was postponed.

ITEM 6 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

Without objection, further consideration of this subject was postponed.

ITEM 7 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

Without objection, further consideration of this subject was postponed.

ITEM 9 - PRESS RELEASE

THE COMMISSION unanimously agreed that the text of the policy decision "Attendance at Inter-Governmental Conferences" (FEC-300/8) should be released to the press in the normal course.

The meeting adjourned at 12:05 P.M.

COPY NO. 188FEC-CONFIDENTIALMINUTES, 111th FEC Meeting16 June 1948FAR EASTERN COMMISSION

Provisional Minutes of the One Hundred Eleventh Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N. W.,
Washington, D. C.
16 June 1948, 10:30 A.M.

REPRESENTATIVES PRESENT

Mr. Charles E. Saltzman (United States) Chairman pro tempore
Mr. H. W. Bullock (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
His Excellency Mr. P. E. Naggiar (France)
Mr. S. N. Banerji (India)
Mr. O. Reuchlin (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
Rear Admiral S. S. Ramishvili (U.S.S.R.)
Mr. J. F. Ford (United Kingdom)

ACTING SECRETARY GENERAL

Mr. Samuel S. Stratton

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

Minutes, 111th FEC Meeting
16 June 1948

COPY NO. 236

25 June 1948

FEC-CONFIDENTIALRECORD OF APPROVAL OF THEMINUTES OF THE 111th FEC M.G.FAR EASTERN COMMISSIONRECORD OF APPROVALMINUTES OF THE ONE HUNDRED AND ELEVENTH MEETING OF THEFAR EASTERN COMMISSIONNote by the Secretary General

1. The Far Eastern Commission, at its one hundred and twelfth meeting, 24 June 1948, approved the provisional minutes of its one hundred and eleventh meeting with no corrections.
2. Representatives are requested to attach this formal record of approval to their file copies of those minutes.
3. The attention of all concerned is invited to the classification of this document which prohibits the dissemination of any information contained therein to unauthorized persons or to the press.

SAMUEL S. STRATTON
Acting Secretary General

Record of Approval of the Minutes of
the 111th Meeting of the Far Eastern
Commission.

SUMMARY

FEC-CONFIDENTIALSUMMARY, 111th FEC Meeting16 June 1948FAR EASTERN COMMISSIONSUMMARY OF MINUTES OF 111TH MEETING

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED TENTH MEETING

Approved.

ITEM 2 - INTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES FOR CULTURAL PURPOSES (FEC-240/16)

Postponed.

ITEM 3 - ACCESS TO JAPANESE TECHNICAL AND SCIENTIFIC INFORMATION IN JAPAN (FEC-280/8; 280 series)

Postponed.

ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32; FEC-242/33)

Postponed.

ITEM 5 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

Postponed.

ITEM 6 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25; 219 series)

Postponed.

ITEM 7 - OTHER BUSINESS

None.

ITEM 8 - PRESS RELEASE

None.

Summary, Minutes, 111th FEC Meeting
16 June 1948

FEC-CONFIDENTIALELECTION OF CHAIRMAN PRO TEMPORE

In the necessary absence of General McCoy, MR. STRATTON opened the meeting and requested the nomination of a Chairman pro tempore.

MR. BANERJI moved that Mr. Saltzman serve as Chairman pro tempore. The motion was carried unanimously and MR. SALTZMAN assumed the Chair.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED TENTH MEETING

The COMMISSION unanimously approved the minutes of its one hundred tenth meeting.

ITEM 2 - INTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES FOR CULTURAL PURPOSES (FEC-240/16)

MR. JOVELLANOS said that he was still awaiting instructions from his Government on this subject. He requested that the item be retained on the agenda.

Without objection, further consideration of this subject was postponed.

ITEM 3 - ACCESS TO JAPANESE TECHNICAL AND SCIENTIFIC INFORMATION IN JAPAN (FEC-280/8; 280 series)

MR. SALTZMAN said that, as General McCoy had stated at the last meeting (page 3, Minutes, 110th FEC Meeting) an inquiry had been transmitted to the Supreme Commander with regard to what administrative arrangements could be made for the assistance of technical representatives by interpreters and secretaries. A reply had not yet been received from the Supreme Commander but was expected momentarily.

MR. BULLOCK said that while he realized that little could be done in the absence of the information awaited from the Supreme Commander, he thought it pertinent to point out that if the present proposal were adopted its time-period would begin to run on 1 July, and therefore there was a certain urgency attached to action on the proposal. Since in the absence of the reply from the Supreme Commander the Soviet position could not be determined, he did not wish to press for a decision at the present meeting, but urged that everything possible be done to ensure action at the next meeting of the Commission.

MR. SALTZMAN said that the United States Government appreciated the urgency attached to FEC-280/8, and he repeated that early information from the Supreme Commander was anticipated.

Without objection, further consideration of this subject was postponed.

ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32; FEC-242/33)

Without objection, further consideration of this subject was postponed.

FEC-CONFIDENTIALITEM 5 - CIVIL AVIATION IN JAPAN (FEC-245/18; FEC-245/19)

MR. SALTZMAN said that the United States amendments to be proposed on this subject had not yet been formulated.

Without objection, further consideration of this subject was postponed.

ITEM 6 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25; 219 series)

Without objection, further consideration of this subject was postponed.

The meeting adjourned at 10:45 A.M.

COPY NO. 208FEC--CONFIDENTIALMINUTES--112th FEC Mtg.24 June 1948FAR EASTERN COMMISSION

Provisional Minutes of the 112th Meeting of the Far Eastern Commission,
Held in the Main Conference Room, 2516 Massachusetts Avenue, N. W.,
Washington, D. C.
24 June 1948, 10:30 A.M.

REPRESENTATIVES PRESENT

Major General Frank R. McCoy (United States) Chairman
Mr. H. W. Bullock (Australia)
Mr. R. E. Collins (Canada)
His Excellency Dr. V. K. Wellington Koo (China)
His Excellency Mr. P. E. Naggiar (France)
Mr. S. N. Banerji (India)
Dr. R. H. van Gulik (Netherlands)
Mr. G. R. Powles (New Zealand)
Mr. J. U. Jovellanos (Republic of the Philippines)
Rear Admiral S. S. Ramishvili (U.S.S.R.)
Mr. H. A. Graves (United Kingdom)

ACTING SECRETARY GENERAL

Mr. Samuel S. Stratton

NOTE: The attention of all concerned is invited to the classification of this document which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

Minutes--112th FEC Mtg.
24 June 1948

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COPY NO. _____

6 July 1948

FEC-CONFIDENTIALRECORD OF APPROVAL OF THEMINUTES OF THE 112TH FEC MTG.FAR EASTERN COMMISSIONRECORD OF APPROVALMINUTES OF THE 112TH MEETING OF THE FAR EASTERN COMMISSIONNote by the Secretary General

1. The Far Eastern Commission, at its 113th meeting, 1 July 1948, approved the provisional minutes of its 112th meeting with the corrections embodied in the attached revision of page 10 and with the following additional correction:

Page 11 - first line, change the phrase "Rarely did Mr. Crane portray Japan as" to "Rarely was Japan portrayed as".

2. Representatives are requested to insert the attached revision of page 10 and to incorporate the above correction in their file copies of the provisional minutes of the 112th meeting of the Far Eastern Commission, and to attach this formal record of approval to these copies as corrected.

3. The attention of all concerned is invited to the classification of this document which prohibits the dissemination of any information contained therein to unauthorized persons or to the press.

NELSON T. JOHNSON
Secretary General

Record of Approval of the Minutes of the
112th Meeting of the Far Eastern Commission