

DECLASSIFIED

E.O. 11652, Sec 3(E) and 5(D) or (E) NNDG# 760050

894.71595/ 1-145-----12-3149

STANDARD FORM NO. 64

Office Memorandum · UNITED STATES GOVERNMENT

file fast (39)

DATE: April 16, 1947

TO : General Hilldring
FROM : Mr. Moreland *AM*
SUBJECT: Great Northern Telegraph Company Relay Station at Nagasaki.

State Department has been informed through the Embassy at Copenhagen that the Great Northern Telegraph Company, a Danish concern, has requested permission of SCAP to reestablish a cable relay station at Nagasaki. The Company emphasizes the fact that it is merely requesting permission to join its Shanghai-Nagasaki and Nagasaki-Vladivostok cables, to maintain in its building there the necessary instruments and a very limited staff for relaying the transiting telegraph signal of one cable to the other, and to have the necessary instruments for testing and balancing the submarine cable.

The attached cable requests the status of subject company's application for resumption of service at Nagasaki to form a basis for reply to the American Embassy at Copenhagen.

War Department concurrence has been secured through Colonel Dice. I recommend your concurrence.

Attached also is Departmental cable informing the American Embassy at Copenhagen that the matter has been referred to SCAP and that the Embassy will be advised as soon as reply is received.

- sent to C R for despatching

Attachments.

AH-1464

Replied to Meier, 4/17/47, asb.

644-7244-1647

STANDARD FORM NO. 64

Office Memorandum · UNITED STATES GOVERNMENT

DATE: April 11, 1947

TO : Executive Officer, CAD, War Dept.

FROM : Mr. Moreland, A-H, State Dept. (3775)

SUBJECT: Great Northern Telegraph Company Relay Station at Nagasaki.

State Department has been informed through the Embassy at Copenhagen that the Great Northern Telegraph Company, a Danish concern, has requested permission of SCAP to reestablish a cable relay station at Nagasaki. The Company emphasizes the fact that it is merely requesting permission to join its Shanghai-Nagasaki and Nagasaki-Vladivostok cables, to maintain in its building there the necessary instruments and a very limited staff for relaying the transiting telegraph signal of one cable to the other, and to have the necessary instruments for testing and balancing the submarine cable.

The attached cable requests the status of subject company's application for resumption of service at Nagasaki to form a basis for reply to the American Embassy at Copenhagen.

*W & Concurrence has been secured
by Lt. Col. Sec. I recognize your concurrence.*

Attachment.

AH-1464

zag

PLAIN

SCAP

ACTION

OPD, Mr. Petersen: CAD (STATE); CAD

State has received info through Embassy at Copenhagen that Great Northern Telegraph Company has requested your permission to reestablish its cable relay station at Nagasaki. Request info soonest this service may be resumed.

AH-1464



THE FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

ACTION is assigned to

TRC

RECEIVED DEPARTMENT OF STATE

JUN 23 AM 11:04

RECORDS BRANCH

DDR

American Embassy, Seoul, June 18, 1949.

OFFICIAL RECORD COPY Return to DC/R Files when ACTION is completed.

UNCLASSIFIED

No. 362

Subject: Visit to Tokyo of Mr. G. N. Miller, Postal Consultant, ECA

Action Assigned to TD

Action Taken No

Date of Action 7/8/49

File Symbol TRC

Name of Officer F. Hoff

Reference to DC/R Files

TELECOMMUNICATIONS DIVISION Copy in TD JUN 24 1949

The Ambassador has the honor to report a visit to Tokyo of Mr. G. N. Miller, Postal Consultant, Economic Cooperation Administration, for the following purposes:

1. Conference with Japanese postal officials relative to the establishment of parcel post relations between Korea and Japan.
2. Establishment of rates, terminal charges and transit charges on parcel post matter and mail of other classes, handled by each country for the other.
3. Comparison of statistical data, obtained by both countries during the period May 1 through May 28, 1949, upon which international rates and other charges between the two countries will be determined.
4. Arrangement for steamship and air contracts for mail handling, with companies of Japanese registry.
5. Conferences with American postal officials of SCAP relative to prohibitions on mail matter sent from Japan or destined to Japan from Korea.
6. Conference with American and Japanese postal officials relative to the exchange of newspapers and periodicals between the two countries.

It is understood that Mr. Miller has been authorized to negotiate these matters for the Republic of Korea. Any agreements reached will be submitted to the Korean Government for approval.

The Korean Chief of the Postal Bureau and a Korean section chief of the international mails will accompany Mr. Miller on this trip, which is scheduled during the week of July 11.

This is a joint State-ECA despatch. It is requested that copies be furnished to the Economic Cooperation Administration.

To Department in original and hectograph OT Jones:md

UNCLASSIFIED



JUL 22 1949

FILED

DMR

894.71595/6-1849

895.50 Recovery TRC FR DC/R FE 2/700 OLI L ECA PO

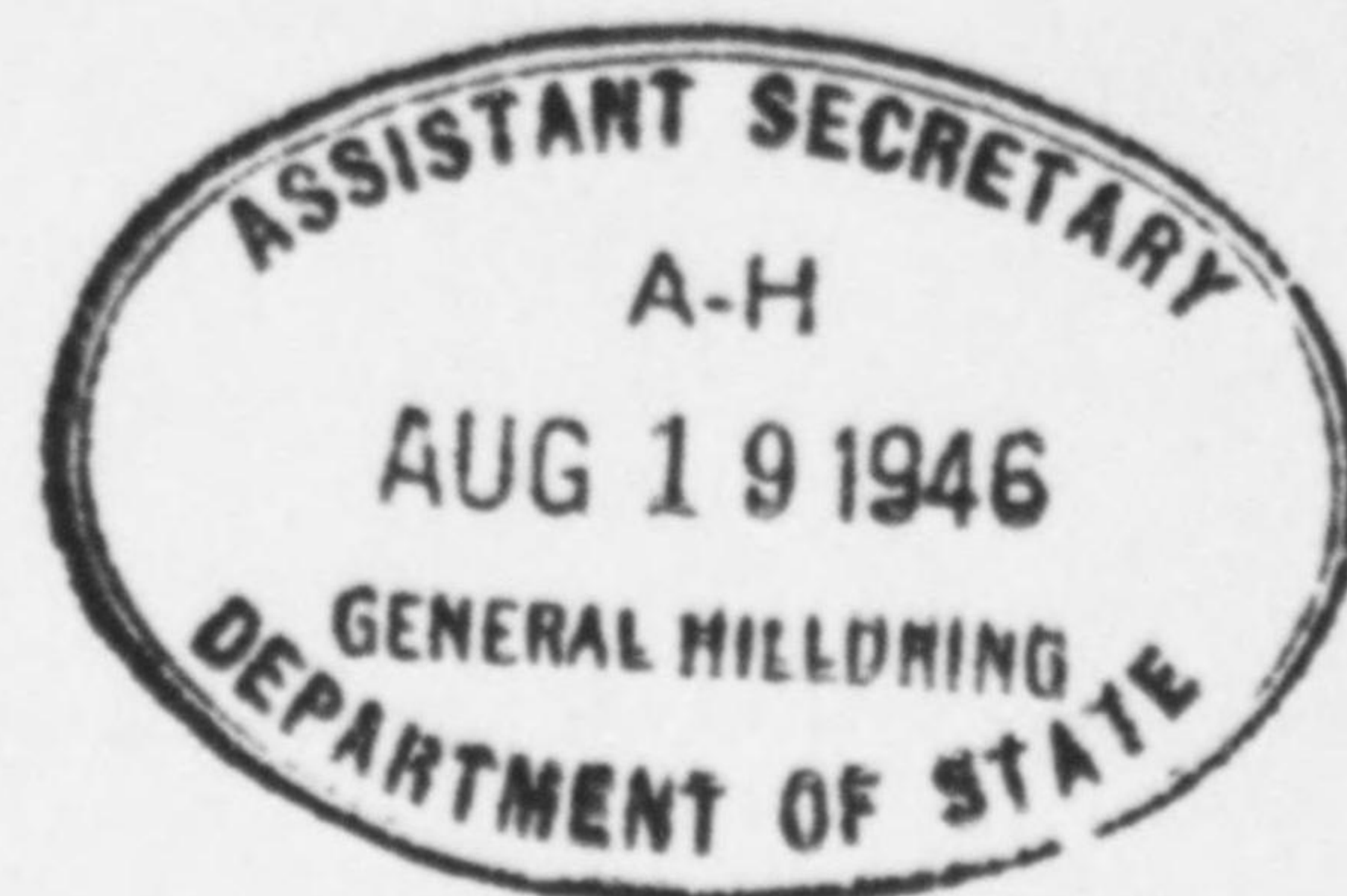
STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : A-H - General Hilldring

DATE: August 15, 1946

FROM : JK - Edwin M. Martin

SUBJECT: Telecommunications Via U.S. Between Japan and Certain
U.S. Bases in the South Pacific

In reference to the following incoming cable;

"From: SCAP Tokyo
To: War Department for COS
Nr: Z 02642
13 June 1946

Reurad WCL 43181 and ourad Z-39518. Although very little traffic anticipated desire establish commercial telegraph service via United States between Japan and Military bases at Papeete Tahiti, New Caledonia, Suva Fiji and Samoa. Request authorization, rates and routing information.";

we have obtained rates from the U.S. carriers and cleared the wording of the following cable with Treasury (Mr. Parker). If it is agreeable to you, would you kindly forward the draft cable to CAD as a basis for reply to SCAP.

DRAFT CABLE

Reurad Z-02642 13 June 1946.

1. Interested government agencies approve the establishment of telecommunications via United States between Japan and military bases at Papeete Tahiti, New Caledonia, Suva Fiji, and Samoa.
2. Rates are determined as follows:
 - a. Present rate from Japan to U. S. is added to rate from U.S. to delivery point at bases.
 - b. Rates per word from U.S. to bases are 30 cents full; 20 cents code; 15 cents deferred; 10 cents night letter (minimum 25 words).
3. Route messages from Japan via San Francisco for onward transmission by U.S. carriers furnishing service to bases.
4. Present arrangements on Japan-U.S. service to apply, such as procedure for yen conversion by carriers, classes of messages, and restriction of service to U. S. Military and authorized personnel.

JK: Nottrell: mw

8/26
A-H 83
CWB

894-7200/S-1546

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : A-H - JK Secretariat
FROM : JK - Mr. Whitman
SUBJECT: Commercial mail with Japan

DATE: October 16, 1946

On August 19, JK prepared a message on this subject. CAD raised some questions on the timing of the proposal in light of the fact that a limited mail service was just opening. Since that date SCAP has asked approval for commercial information telegraph communication service (C 64293) and the United States Government has recommended commercial information mail service (WAR 82429).

In the light of these steps it is felt that SCAP should now be approached on the question of using commercial mail as a method of stimulating exports. Allied businessmen would be permitted to correspond with firms in Japan, make preliminary arrangements for a deal, but turn over final contract to USCC. SCAP would be protected by censorship of mail and by final control of the action taken by Japanese firms.

It would be appreciated if the War Department be requested to transmit the following message to SCAP:

DRAFT CABLE

In consideration of proposals to opening telegraph service and expanding postal service to include first class letters (REURAD C 64293 Aug 19, and OURAD 82429 Oct 5,) believe scheme for stimulation of exports, through use of commercial information messages should also be examined. Agencies here believe exports can be expanded if following were adopted:

1. Blanket exemption to Trading with Enemy Act would be made for non-transactional

correspondence

894. 72-00 / 10-16-46

- 2 -

correspondence with Japanese individuals for dealing with potential purchases of listed commodities on approved export program.

2. Correspondence would be subject to censorship and objectionable Japanese firms could be ruled out.
3. Exchange of messages including samples if necessary would lead to tentative agreement as to Japanese willingness to produce and deliver to Boeki Cho and Allied willingness to purchase a stipulated quantity.
4. US importer would turn transaction over to USCC with a dollar offer. Similar arrangements through Govt channels would be taken for other countries.
5. Transaction would go to SCAP. If proposed deal is suitable use of Japanese resources and price is satisfactory, Japanese would be ordered to go ahead. The balance of the transaction would go forward as at present. Scheme believed to have advantages not only of putting all preliminary arrangements in private hands,
but

A-H 110

- 3 -

but also of making transition to a free,
competitive trade much easier.

McDermott can explain proposal in detail.

If SCAP approves in principle, US will ask prompt
FEC approval. Details can be worked out later.

JK:RHWhitman:emh

JK/S
Lisher

JKS

A-14-110

DEPARTMENT OF STATE

DIVISION OF DEFENSE MATERIALS

To Mr. Whitman - J. K.
From Mr. Easton - A. H.

Returned as per yr.
Telephone Request

h

DIVISION OF JAPANESE AND KOREAN
ECONOMIC AFFAIRS
DEPARTMENT OF STATE

SEP - 3 1946

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

DATE: 28 August 1946

TO : Mr. Easton (SWNCC Directorate)
FROM : Lt Col Hugh G. Socks, Acting Executive, CAD.
SUBJECT: Commercial Mail with Japan

In accordance with telephone conversation with Lt Col Dice this date,
proposed cable on above subject is returned herewith at your request.

Hugh G. Socks
HUGH G. SOCKS
LT. COLONEL, GSC
ASS'T EXECUTIVE

DRAFT OF CABLE

162 ✓

PREPARED BY: _____ EXTENSION: _____ DATE: Aug. 26, '46

CLASSIFICATION: _____ CRYPTO. SYSTEM(S): _____ PRECEDENCE: _____

THEATER ADDRESS(ES): _____ NAME: _____ ACTION OR INFORMATION: _____

TO: SCAP FOR: _____ FOR: Action

CONTENTS OF THIS DRAFT: (CONCURRED IN BY: State (Gen. Hilldring))
 (COORDINATED WITH _____)

DISTRIBUTION DESIRED: OPD-Mr. Petersen; CAD-State; CAD.NOTE: **Submit this original in detail and one (1) tissue copy of text only. Double-space.**

From WDSCA. Commercial mail with Japan is the subject. Believed Japanese exports can be expanded if commercial mail is permitted between Allied and Japanese firms. Scheme would work approximately as follows:

1. Blanket exemption to Trading with Enemy Act would be made for non-transactional correspondence with Japanese individuals for dealing with potential purchases of listed commodities on approved export program.
2. Correspondence would be subject to censorship and objectionable Japanese firms could be ruled out.
3. Exchange of messages including samples if necessary would lead to tentative agreement as to Japanese willingness to produce and deliver to Boeki Cho and Allied willingness to purchase a stipulated quantity.
4. US importer would turn transaction over to USCC with a dollar offer. Similar arrangements through Govt channels would be taken for other countries.
5. Transaction would go to SCAP. If proposed deal is suitable use of Japanese resources and price is satisfactory, Japanese would be ordered to go ahead. The

MEMO FOR RECORD:
 (Establishing factual
 background and necessity for cable)

A-11-110

DRAFT OF CABLE

PREPARED BY: _____ EXTENSION: _____ DATE: _____

CLASSIFICATION: _____ CRYPTO. SYSTEM(S): _____ PRECEDENCE: _____

THEATER ADDRESS(ES): _____ NAME: _____ ACTION OR INFORMATION: _____

TO: _____ FOR: _____ FOR: _____

CONTENTS OF THIS DRAFT: (CONCURRED IN BY: _____
(COORDINATED WITH _____
(_____

DISTRIBUTION DESIRED: _____

NOTE: Submit this original in detail and one (1) tissue copy of text only. Double-space.

balance of the transaction would go forward as at present. Scheme believed to have advantages not only of putting all preliminary arrangements in private hands, but also of making ^{transition} ~~transactions~~ to a free, competitive trade much easier.

McDermott can explain proposal in detail.

If SCAP approves in principle, US will ask prompt FEC approval. Details can be worked out later.

MEMO FOR RECORD:
(Establishing factual background and necessity for cable)

A-H-110

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

RESTRICTED

PARAPHRASE NOT REQUIRED. HANDLE AS RESTRICTED
CORRESPONDENCE PER PARAS 511 and 60a, AR 380-5

Civil Affairs Division
311.23 CAD Lt Col Dice
74081

18 October 1946

CINCAFPAC Tokyo Japan

Number: WAR 83441

From VDSCA GO. Reurad Sept C 65059

RCAC and MacKay confirm that VLT and EFM services
are not available between Japan and New Caledonia Papeete
(Tahiti) Samoa and Suva (Fiji)

EFM sv is available between Japan and Alaska, Guam,
Midway, Honolulu, Puerto Rico, St Thomas and Canal Zone
at 60¢ per msg. VLT sv also available between same points
at NLT word rate with 10 word minimum. Complete senders
composition rates per word from Japan are as fols: Alaska
full rate 44¢, code rate 28¢, deferred rate 23¢, night
ltr rate 15 1/3¢. Guam and Midway 32¢, 20¢, 16¢, 10 2/3¢,
respectively. Honolulu 20¢, 12¢, 10¢ and 6 2/3¢ respectively.
Puerto Rico and St Thomas 44¢, 28¢, 23¢, 15 1/3¢ respectively.
Canal Zone 66¢, 40¢, 33¢, 22¢ respectively.

End.

C 65059 is CM IN 1935 (11 Sept 46)

ORIGINATOR : CAD

DISTRIBUTION: CAD(State), ASW, ID, P&O, BUD, SIG, SWNCC

CM-OUT 83441 (Oct 46) DTG 181803Z mpa

RESTRICTED

24

COPY NO.

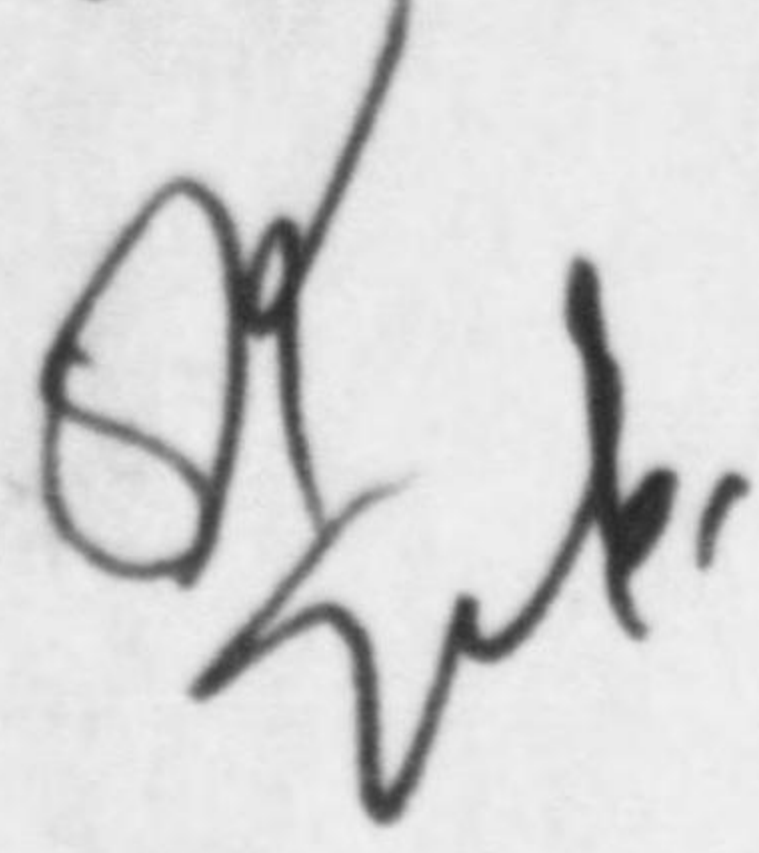
THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

STANDARD FORM 64

Office Memorandum · UNITED STATES GOVERNMENT

DATE: **October 14, 1946**

TO : Colonel R. H. Chard, Executive Officer, CAD
FROM : Mr. O'Sullivan, A-H (3613/3719)
SUBJECT : Telecommunications - Pacific Islands.



The attached draft cable to SCAP has been prepared for dispatch by the War Department. It would be appreciated if your action officer would notify me as soon as possible of War Department concurrence, or of any changes in the message desired by the War Department.

Attachment

*Col. Chard notified of A-H concurrence
1:10 10/16*

AH-157

October 14, 1946

Routine

[Handwritten signature]

Action

SCAP

State (General Hilldring)

D/PO-Mr. Petersen: CAD (SWNCC Directorate): CAD (State)

Reurad C 65059, 11 Sep

1. RCAC and Mackay confirm that VLT and EFM services are not available between Japan and New Caledonia Papeete (Tahiti) Samoa and Suva (Fiji).

2. EFM service is available between Japan and Alaska, Guam, Midway, Honolulu, Puerto Rico, St. Thomas and the Canal Zone at sixty cents per message. VLT service is also available between the same points at NLT word rate with ten word minimum. Complete senders composition rates per word from Japan are as follows: Alaska full rate \$.44, code rate \$.28, deferred rate \$.23, night letter rate \$.15-1/3. Guam and Midway \$.32, \$.20, \$.16, \$.10-2/3 respectively. Honolulu \$.20, \$.12, \$.10, \$.06-2/3 respectively. Puerto Rico and St. Thomas \$.44, \$.28, \$.23, \$.15-1/3 respectively. Canal Zone \$.66, \$.40, \$.33, \$.22 respectively.

*AH-H
3/11/22/1465
Japan*

*Dispatched as
Mar 8 3 44
18 oct 46*

AH-BO'Sullivan:dmd

AH-187

October 14, 1946

Routine

Action

SCAP

State (General Hilldring)

D/PO-Mr. Petersen: CAD (SWNCC Directorate): CAD (State)

Reurad C 65059, 11 Sep

1. RCAC and Mackay confirm that VLT and EFM services are not available between Japan and New Caledonia Papeete (Tahiti) Samoa and Suva (Fiji).
2. EFM service is available between Japan and Alaska, Guam, Midway, Honolulu, Puerto Rico, St. Thomas and the Canal Zone at sixty cents per message. VLT service is also available between the same points at NLT word rate with ten word minimum. Complete senders composition rates per word from Japan are as follows: Alaska full rate \$.44, code rate \$.28, deferred rate \$.23, night letter rate \$.15-1/3. Guam and Midway \$.32, \$.20, \$.16, \$.10-2/3 respectively. Honolulu \$.20, \$.12, \$.10, \$.06-2/3 respectively. Puerto Rico and St. Thomas \$.44, \$.28, \$.23, \$.15-1/3 respectively. Canal Zone \$.66, \$.40, \$.33, \$.22 respectively.

AH-BO'Sullivan:dmd

AH-187

DRAFT CABLE TO SCAP:

FROM: WAR

Reurad C 65059, 11 Sep

1. RCAC and Mackay confirm that VLT and EFM services are not available between Japan and New Caledonia Papeete (Tahiti) Samoa and Suva (Fiji).

2. EFM service is available between Japan and Alaska, Guam, Midway, Honolulu, Puerto Rico, St. Thomas and the Canal Zone at sixty cents per message. VLT service is also available between the same points at NLT word rate with ten word minimum. Complete senders composition rates per word from Japan are as follows: Alaska full rate \$.44, code rate \$.28, deferred rate \$.23, night letter rate \$.15-1/3. Guam and Midway \$.32, \$.20, \$.16, \$.10-2/3 respectively. Honolulu \$.20, \$.12, \$.10, \$.06-2/3 respectively. Puerto Rico and St. Thomas \$.44, \$.28, \$.23, \$.15-1/3 respectively. Canal Zone \$.66, \$.40, \$.33, \$.22 respectively.

TD:NLCansler:hb

10-10-46

A-4-187

for A-H - C/Sullivan

183

DRAFT CABLE TO SCAP:

FROM: WAR

Reurad C 65059, 11 Sep

1. RCAC and Mackay confirm that VLT and EFM services are not available between Japan and New Caledonia Papeete (Tahiti) Samoa and Suva (Fiji).

2. EFM service is available between Japan and Alaska, Guam, Midway, Honolulu, Puerto Rico, St. Thomas and the Canal Zone at sixty cents per message. VLT service is also available between the same points at NLT word rate with ten word minimum. Complete senders composition rates per word from Japan are as follows: Alaska full rate \$.44, code rate \$.28, deferred rate \$.23, night letter rate \$.15-1/3. Guam and Midway \$.32, \$.20, \$.16, \$.10-2/3 respectively. Honolulu \$.20, \$.12, \$.10, \$.06-2/3 respectively. Puerto Rico and St. Thomas \$.44, \$.28, \$.23, \$.15-1/3 respectively. Canal Zone \$.66, \$.40, \$.33, \$.22 respectively.

PH ncc
TD:NLCanler:hb
nc.

JK/Sec.
JK
RT. 10-10-46

A-H 187

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

RESTRICTED

PARAPHRASE NOT REQUIRED. HANDLE AS RESTRICTED CORRESPONDENCE
PER PARAS 51 (i) and 60 (a). AR 380-5.

Civil Affairs Division
311.23 CAD Lt Col Dice
74081.

5 October 1946

CINCAFPAC, Tokyo, Japan

Number: WAR 82429

From WDSCA GO. Reurad Aug C 64293.

Interested govt agencies considering your proposal for early reestablishment TT between Japan and outside world. View here if possible such service should be opened Korea, liberated area, prior or simultaneous with service Japan, enemy area. Your views feasibility requested. Favor opening service telegrams or extending postal service include first class ltrs as soon SCAP feels either type traffic can be censored effectively. Both services would include personal and commercial-info/correspondence. Consider preferable both services open simultaneously if possible.

Offer comments your suggestions:

Reur 1 (A). Suggest adding "not otherwise unacceptable to SCAP" after phrase "any person in Japan".

Reur 1 (B). In second par do you mean Wash agency Control accts other terminal countries or should arrange establishment control accts other terminal countries? Neither arrangement feasible as no agency here set up perform such functions. Since no Wash agency has facilities to keep records and accts stated will SCAP be able establish and maintain such accts and records?

Reur 1 (C). All messages to or from non-accredited pers Japan are paid in US dollars from sources other than WD

CM-OUT-82429 (Oct 46)

RESTRICTED

25

COPY NO.

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H-41 511.23/465
 Japan

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

RESTRICTED

Number: WAR 82429

Page - 2.

appropriations or export fund. These dollars split between US carriers and export fund, which receives dollar credit equivalent value of services performed by Jap carrier. If this method pmt adhered to in any extension services, volume communications would considerably less than under your proposal, but every msg to or from non-accredited per would increase funds for essential imports. Under your proposal, export proceeds from TT would be less than under method just described. Question whether immediate loss export acct outweighed by benefits increased volume to broad program or to broad political and cultural objectives occupation. Comments requested. Would your plan require presently auth non-accredited senders continue dollar pmts or permit them pay in regular yen?

Collect msgs from Japan may involve loss to carriers. Doubtful carriers willing establish such service for Japanese public generally.

Similar problems arise re service between Japan and countries other than US.

Reur 1 (D): 2, 3, 4, 5, and 7. Concur.

Reur 1 (D): 1 and 6. What type business communications presently receiving apl SCAP? Are private Japanese nationals or Japanese Govt or governmental agencies permitted send or receive business communications?

For present, non-official TT except by mil and accredited pers should be limited to telegraph due difficulty effective censorship of telephone.

End.

Note: C 64293 is CM-IN-4188 (19 Aug 46).

ORIGINATOR: CAD

DISTRIBUTION: ASW, CAD (State), ID, P & O, BUD, TAG.

CM-OUT-82429 (Oct 46) DTG: 052226Z jjf

RESTRICTED

25

COPY NO.

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

Sept. 20, 1946

Colonel Socks, Executive Officer, CAD

B. O'Sullivan, A-H (3613/3719)

Reopening of Telecommunications with Japan

The attached draft cable to CINCAFPAC has been prepared for dispatch by the War Department. It would be appreciated if your action officer would notify me as soon as possible of War Department concurrence, or of any changes in the message desired by the War Department.

Attachment

*W.D. concurrence
9/27*

A-H 311.22/465 Japan

A-H-88

*Dispatched as
War 82429
(5 Oct 46)*

*Dis. by War 10/4
prior (verbal)
concurrence from
Gross.*

A-H:BO'Sullivan:lga

A-H-88

Eof

RESTRICTED

DRAFT CABLE TO SCAP FROM WAR

September 19, 1946

Your views suggest that feasibility of extending service to Korea prior to arrangement with service to Japan

Reurad C 64293, 19 August 1946. Interested government agencies considering your proposal for early reestablishment telecommunications between Japan and outside world. View here is that ^{if possible} such service should ~~not~~ be opened ^{for Korea, Philippines, etc.} for Japan until ^{similar service has been extended to Korea.} We favor opening service for telegrams or extending postal service to include first class letters as soon as SCAP feels that either type of traffic can be censored effectively. Both services would include personal and commercial-informational correspondence. We consider it preferable that both services be opened simultaneously if possible.

We offer following comments on your suggestions:

Reur 1(a). Suggest adding "not otherwise unacceptable to SCAP" after phrase "any person in Japan".

Reur 1(b). In second paragraph do you mean Washington agency should control accounts of other terminal countries or should arrange for establishment control accounts in other terminal countries? Neither arrangement feasible as no agency here set up to perform such functions. Since no Washington agency has facilities to keep records and accounts as stated will SCAP be able to establish such accounts and records?

Reur 1(c). Messages from Japan prepaid in regular yen

currency *88*

2-11-223

INSERT NEW PARAGRAPH 1(c) in draft reply to CM-IN 4188

Reur (1) (c)

At present, all messages to or from non-accredited persons in Japan are paid for in U.S. dollars from sources other than WD ~~PEKKE~~ appropriations or export fund. These dollars split between US carriers and export fund, which receives/credit ^{dollar} equivalent to value of services performed by Jap carrier. If this method of payment adhered to in any extension of services, volume of communications would be less than under your proposal, but every message to or from non-accredited person would increase funds for essential imports. Under your proposal, export proceeds from telecommunications would be less than under method just described. Question is ~~wather~~ immediate loss to export account outweighed by benefits increased volume to trade program. ^{or to broad political & cultural objectives of occupation} Your comments requested. Would your plan require presently authorized non-accredited senders to continue dollar payments or permit them to pay in regular yen?

Doubtful that carriers would be willing to furnish collect service for Japanese public generally, because of possible losses involved.

Similar problems will arise re service between Japan and countries other than United States.

Cleared with: JK TD (JK Sec. AH
 Whitman O'Connor Fisher

Fisher
10-1-46

NB: Cleared internally, AH, with Claxton. War Dept has concurred (Col Dice)

RESTRICTED

- 2 -

currency may be a drain on foreign exchange otherwise available for payment essential imports. Does SCAP feel messages important enough to warrant this possible drain? Dollar balances accruing to Japanese telegraph carriers are being held in export account. Accordingly, foreign exchange can be provided to pay for prepaid messages from Japan only by use of War Department appropriations or of funds specifically earmarked for essential imports into Japan. Collect messages from Japan may involve loss to carriers. Doubtful that carriers would be willing furnish collect services for Japanese public generally. Your comments desired relative to reasons for wishing to accept prepaid messages from non-accredited persons. Similar problems will arise re service between Japan and countries other than United States.

Reur 1(d): 2, 3, 4, 5, and 7. We concur.

Reur 1(d): 1 and 6. What type business communications are presently receiving approval of SCAP? In particular, are private Japanese nationals or the Japanese Government or governmental agencies being permitted to send or receive business communications?

For present, non-official telecommunications except by military and accredited personnel should be limited to telegraph due to difficulty effective censorship of telephone.

TD:WEO'Connor:rd

88
A-H-~~3~~

Restricted

Routine

CINCAFPAC

ACTION

State (General Hilldring)

D/PO-Mr. Petersen: CAD (State)

Reurad C 64293, 19 August 1946. Interested government agencies considering your proposal for early reestablishment telecommunications between Japan and outside world. View here is that such service should not be opened for Japan until similar service has been extended to Korea. We favor opening service for telegrams or extending postal service to include first class letters as soon as SCAP feels that either type of traffic can be censored effectively. Both services would include personal and commercial-informational/correspondence. We consider it preferable that both services be opened simultaneously if possible.

We offer following comments on your suggestions:

Reur 1(a). Suggest adding "not otherwise unacceptable to SCAP" after phrase "any person in Japan".

Reur 1(b). In second paragraph do you mean Washington agency should control accounts of other terminal countries or should arrange for establishment control accounts in other terminal countries? Neither arrangement feasible as no

agency here set up to perform such functions. Since no Washington agency has facilities to keep records and accounts as stated will SCAP be able to establish such accounts and records?

Insert

~~Reur 1(c). Messages from Japan prepaid in regular yen currency may be a drain on foreign exchange otherwise available for payment essential imports. Does SCAP feel messages important enough to warrant this possible drain? Dollar balances accruing to Japanese telegraph carriers are being held in export account. Accordingly, foreign exchange can be provided to pay for prepaid messages from Japan only by use of War Department appropriations or of funds specifically earmarked for essential imports into Japan. Collect messages from Japan may involve loss to carriers. Doubtful that carriers would be willing furnish collect services for Japanese public generally. Your comments desired relative to reasons for wishing to accept prepaid messages from non-accredited persons. Similar problems will arise re service between Japan and countries other than United States.~~

Handwritten notes:
Did SCAP
have
records?

Handwritten notes:
Does War Dept. have available, can you for, why, accredited persons, exchange dollar
of funds to U.S. carriers for handling messages prepaid by and sent to Japan
by non-accredited persons
could be drawn only from

Reur 1(d): 2, 3, 4, 5, and 7. ^{concur} We concur.

Reur 1(d): 1 and 6. What type business communications are presently receiving approval of SCAP? In particular, are private Japanese nationals or the Japanese Government or governmental agencies being permitted to send or receive business communications?

For present, non-official telecommunications except by military and accredited personnel should be limited to telegraph due to difficulty effective censorship of telephone.

453
TO CINCPAC
COR: act
Route
Restricted
Subject: Reopening of
Telecommunications with Japan.

RESTRICTED

September 19, 1946

DRAFT CABLE TO SCAP FROM WAR

Reurad C 64293, 19 August 1946. Interested government agencies considering your proposal for early reestablishment telecommunications between Japan and outside world. View here is that such service should not be opened for Japan until similar service has been extended to Korea. We favor opening service for telegrams or extending postal service to include first class letters as soon as SCAP feels that either type of traffic can be censored effectively. Both services would include personal and commercial-informational correspondence. We consider it preferable that both services be opened simultaneously if possible.

We offer following comments on your suggestions:

Reur 1(a). Suggest adding "not otherwise unacceptable to SCAP" after phrase "any person in Japan".

Reur 1(b). In second paragraph do you mean Washington agency should control accounts of other terminal countries or should arrange for establishment control accounts in other terminal countries? Neither arrangement feasible as no agency here set up to perform such functions. Since no Washington agency has facilities to keep records and accounts as stated will SCAP be able to establish such accounts and records?

Reur 1(c). Messages from Japan prepaid in regular yen

currency 88

A-H-223

RESTRICTED.

- 2 -

currency may be a drain on foreign exchange otherwise available for payment essential imports. Does SCAP feel messages important enough to warrant this possible drain? Dollar balances accruing to Japanese telegraph carriers are being held in export account. Accordingly, foreign exchange can be provided to pay for prepaid messages from Japan only by use of War Department appropriations or of funds specifically earmarked for essential imports into Japan. Collect messages from Japan may involve loss to carriers. Doubtful that carriers would be willing furnish collect services for Japanese public generally. Your comments desired relative to reasons for wishing to accept prepaid messages from non-accredited persons. Similar problems will arise re service between Japan and countries other than United States.

Reur 1(d): 2, 3, 4, 5, and 7. We concur.

Reur 1(d): 1 and 6. What type business communications are presently receiving approval of SCAP? In particular, are private Japanese nationals or the Japanese Government or governmental agencies being permitted to send or receive business communications?

For present, non-official telecommunications except by military and accredited personnel should be limited to telegraph due to difficulty effective censorship of telephone.

W.O.C. JAL
TD:WEO'Connor:rd

This representation contains no substantive change from the draft, dated 10 Sept., approved by Treasury. Formal clearance of the draft appears unnecessary. This is confirmed informally by Mr. [unclear] (9k) on 12 Sept. 1945. B.G.S.

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

RESTRICTED TOT

PARAPHRASE NOT REQUIRED. HANDLE AS RESTRICTED
CORRESPONDENCE PER PARAS 511 and 60a, AR 380-5

From: GHQ SCAP, Tokyo, Japan

To: War Department for WARCOS

Nr: C 65059

11 September 1946

Item 1: Reurad August W-99040 request verification that VLP (10 word minimum) and EFM service is not available to Papeete Tahiti, New Caledonia, Suva Fiji and Samoa. If EFM service available please advise rate.

Item 2: Reurad May WCL 43181 and your air mail letter dated 20 June subject "EFM and SCM Service, Pacific Theatre". Request verification that EFM and VLP service is available to Alaska, Virgin Islands (Saint Thomas), Panama Canal Zone, Guam and Midway. Request complete rates for service Japan to Guam, Midway and Panama Canal Zone be forwarded. Establishment service to United States possessions and military bases delayed pending receipt of requested information.

End

ACTION: CAD

INFO: ASW, CAD (FCC), ID, P&O, TAG, SIG, SWNCC.

CM-IN 1935 (11 Sept 46) DTG 111013Z fw1

RESTRICTED

COPY NO.

25

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WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

RESTRICTED

PARAPHRASE NOT REQUIRED. HANDLE AS RESTRICTED
CORRESPONDENCE PER PARAS 51 i and 60 a, AR 380-5

CAD 311.23 CAD 74081 Lt Col
Dice

30 August 1946

CINCAFPAC Tokyo Japan

Number: WAR 99040

From WDSKA GO. Reurad June Z 02642.

Interested govt agencies approve establishment of
telecoms via US between Japan and mil bases at Papeete Tahiti,
New Caledonia, Suva Fiji, and Samoa.

2. Rates are determined as follows:

A. Present rate from Japan to US is added to
rate from US to delivery point at bases.

B. Rates per word US to bases are 30 cents full;
20 cents code; 15 cents deferred; 10 cents night letter
(minimum 25 words).

3. Route msgs from Japan via San Francisco for onward
transmission by US carriers furnishing service to bases.4. Present arrangements on Japan-US service to apply,
such as procedure for yen conversion by carriers, classes of
msgs, and restriction of service to US mil and authorized pers.

Z 02642 is MC IN 55985 (13 Jun 46)

End.

ORIGINATOR : CAD

DISTRIBUTION: ASW, ID, P&O, SERVAT-Sig, SWNCC

CM-OUT-99040

(Aug 46) DTG 301920Z vh

RESTRICTED

26

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STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

99040 DATE: Aug. 27, 1946

TO : Col. Chard, CAD

FROM : A-H - P. P. Claxton

file

SUBJECT: Telecommunications Via U. S. between Japan and certain U.S. bases in the South Pacific.

This is to confirm a telephone call by Mrs. Buckley of my office to Col. Goebels that State Department approval has now been given to this cable, which refers to Z-02642, June, from SCAP.

*Dispatched by W.D. 8/28
CM-OUT 99040
8/30/46
SSS*

A-H:ASB

A-H-83

STANDARD FORM NO. 64

Office Memorandum · UNITED STATES GOVERNMENT

DATE: August 22, 1946

TO : Executive Officer, CAD

FROM : Mr. O'Sullivan, SWNCC Directorate (3613/3719)

SUBJECT : Telecommunications Via U.S. Between Japan and
Certain U.S. Bases in the South Pacific.

The enclosed draft cable to CINCPAC, subject as indicated above, is transmitted herewith for War Department consideration and concurrence. The draft communication is in reply to Cable No. Z-02642, June 1946, from the theater.

It would be appreciated if your action officer were instructed to communicate informally to me the War Department views in this matter.

*Assigned to Lt. Col. Dice, Far Eastern Section,
Gen. Pers., 23 Aug. 46
WSD*

Enclosure:

Draft cable

A-H-83

August 22, 1946

RESTRICTED

Routine

CINCPAC

Action

State (General Hilldring)

D/PO-Mr. Petersen: CAD (SWNCC Directorate): CAD (State)

Reurad Z-02642 13 June 1946.

1. Interested government agencies approve the establishment of telecommunications via United States between Japan and military bases at Papeete Tahiti, New Caledonia, Suva Fiji, and Samoa.
2. Rates are determined as follows:
 - a. Present rate from Japan to U.S. is added to rate from U.S. to delivery point at bases.
 - b. Rates per word from U.S. to bases are 30 cents full; 20 cents code; 15 cents deferred; 10 cents night letter (minimum 25 words).
3. Route messages from Japan via San Francisco for onward transmission by U.S. carriers furnishing service to bases.
4. Present arrangements on Japan-U.S. service to apply, such as procedure for yen conversion by carriers, classes of messages, and restriction of service to U.S. Military and authorized personnel.

A-H:BO'Sullivan:dmd

*311.22/465 Japan**A-H-83*

August 22, 1946

RESTRICTED

Routine

CINCPAC

Action

State (General Willding)

D/PO-Mr. Petersen: CAD (SWNCC Directorate): CAD (State)

Reurad Z-02642 13 June 1946.

1. Interested government agencies approve the establishment of telecommunications via United States between Japan and military bases at Papeete Tahiti, New Caledonia, Suva Fiji, and Samoa.
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3. Route messages from Japan via San Francisco for onward transmission by U.S. carriers furnishing service to bases.
4. Present arrangements on Japan-U.S. service to apply, such as procedure for yen conversion by carriers, classes of messages, and restriction of service to U.S. Military and authorized personnel.

A-H:BO'Sullivan:dmd

A-H-82

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

RESTRICTED TOT

PARAPHRASE NOT REQUIRED. HANDLE AS RESTRICTED
CORRESPONDENCE PER PARAS 511 and 60a, AR 380-5.

From: GHQ SCAP Tokyo Japan

To: War Department for WARCOS

Nr: C 64293

19 August 1946

1. In anticipation of the future need for enlarged international telecommunications service to and from Japan and the desirability of free communications under adequate censorship, limiting messages to approved contents, the following policies for control of international telecommunications between Japan and other nations are submitted for consideration and approval:

(a) That subject to censorship, any person in Japan may communicate with any person overseas and vice versa by means of an international civil telecommunications circuit now, or hereafter, authorized by SCAP.

(b) That arrangements shall be made through the proper Washington agency for the keeping of definitive records of telecommunications traffic in all countries in which terminal of a circuit from Japan is located, and that if possible, control accounts be established in such terminal countries in which the Japanese share of revenue derived from prepaid traffic from, or collect traffic to, such countries may be deposited in currency of the country for such future disposition as may later be determined.

CM-IN 4188

(19 Aug 46)

RESTRICTED

26

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A-H-88

WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

RESTRICTED TOT

Page 2

From: GHQ SCAP Tokyo Japan

Nr: C 64293

19 August 1946

in \$ n yr?

(c) That arrangements shall be made for payment in United States dollars of United States commercial carriers share of revenue arising out of prepaid messages to the United States from non accredited persons in Japan, such payment to be made from dollar balances on deposit with the United States Treasury and which originate in the Japanese share of revenue from collect messages to, and prepaid messages from, the United States to Japan. *?*

(d) That contents of messages, subject to change as and when conditions warrant, be limited to the following:

1. Personal, commercial and financial messages of an informational type, provided they ~~not~~ *not?* authorize or effect specific financial and commercial transactions. Such transactional messages are not being allowed, except with prior approval of SCAP.

2. Official government messages sent by or to authorized diplomatic representatives of missions accredited near SCAP.

3. Official messages of the American, British and International Red Cross and such similar agencies as may be authorized by SCAP.

4. Authorized press messages.

CM-IN 4188

(19 Aug 46)

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WAR DEPARTMENT
CLASSIFIED MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

RESTRICTED TOT

Page 3

From: GHQ SCAP Tokyo Japan

Nr: C 64293

19 August 1946

5. Authorized program broadcasts.
6. Official messages from or to Japanese Government or agencies thereof, as authorized by SCAP.
7. All communications shall be in English, Russian, French, Chinese or Japanese language, using clear text, except messages to or from governments accredited near SCAP, which may be sent in code or in other languages.

End.

ACTION: CAD

INFO: AAF
ASW
ID
P&O
SERVAT

CM-IN 4188

(19 Aug 46)

DTG 190855Z ed

RESTRICTED

26

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H-H-88

STANDARD FORM NO. 64

Office Memorandum · UNITED STATES GOVERNMENT

DATE: August 22, 1946

TO : Executive Officer, CAD

FROM : Mr. O'Sullivan, SWNCC Directorate (3613/3719)

SUBJECT : Telecommunications Via U.S. Between Japan and
Certain U.S. Bases in the South Pacific.

The enclosed draft cable to CINCPAC, subject as indicated above, is transmitted herewith for War Department consideration and concurrence. The draft communication is in reply to Cable No. Z-02642, June 1946, from the theater.

It would be appreciated if your action officer were instructed to communicate informally to me the War Department views in this matter.

Enclosure:

Draft cable

A-H-83

A-H-83

August 22, 1946

RESTRICTED

Routine

CINCPAC

Action

State (General Hilldring)

D/PO-Mr. Petersen: CAD (SWNCC Directorate); CAD (State)

Reurad Z-02642 13 June 1946.

1. Interested government agencies approve the establishment of telecommunications via United States between Japan and military bases at Papeete Tahiti, New Caledonia, Suva Fiji, and Samoa.
2. Rates are determined as follows:
 - a. Present rate from Japan to U.S. is added to rate from U.S. to delivery point at bases.
 - b. Rates per word from U.S. to bases are 30 cents full; 20 cents code; 15 cents deferred; 10 cents night letter (minimum 25 words).
3. Route messages from Japan via San Francisco for onward transmission by U.S. carriers furnishing service to bases.
4. Present arrangements on Japan-U.S. service to apply, such as procedure for yen conversion by carriers, classes of messages, and restriction of service to U.S. Military and authorized personnel.

A-H:BO'Sullivan:dmd

A-H-83
A-H-83*3/11/22/465
Japan*

STANDARD FORM NO. 64

RESTRICTED

298

Office Memorandum • UNITED STATES GOVERNMENT

TO : A-H - JK/Sec

DATE: February 17, 1947

FROM : JK - Mr. Martin

SUBJECT: Attached Draft Cable to SCAP

Japanese Telecommunications

Our radio W-88575 of December 28, 1946, proposed that SCAP establish categories of messages that may be prepaid in yen when sent from Japan to other areas. Such messages would be deemed essential for the occupation, and the foreign carrier's share would be paid by SCAP in foreign currencies out of his import-export funds. SCAP radio, C-69633 of January 30, 1947, stated that category deemed to be essential for the occupation, should be restricted to expeditionary force, sender composition, press and government messages, over other than U.S. circuits. SCAP further stated that of these categories, only expeditionary force and sender composition messages should continue to be prepaid in yen. Restricting yen prepaid messages to these categories will reduce present volume of traffic, since private messages can now be sent prepaid in yen between Japan and other countries, excepting the U.S. The matter of press messages is being dealt with in a separate communication.

Our reply concurs in SCAP's suggestion to restrict yen prepaid messages to the EFM and SCM categories, but suggests that in making financial arrangements he consider including yen prepaid messages desirable for promoting Japanese foreign trade. We further suggest that the sender-take-all basis which is believed to be the present method of financial settlement between Japan and other countries excepting the U.S., is not desirable when outbound prepaid traffic is restricted and inbound traffic is unrestricted as the Japanese carriers will not receive their fair portion under such arrangements. We favor arrangements with foreign telecommunications administrations for proper accounting for all messages, and arrangements by which the Japanese share of foreign currency collections less the foreign carrier's share of yen collections be made available in currencies usable for Japanese imports.

U.K. Treasury representative has written JK Division that certain difficulties have arisen in negotiations with SCAP regarding financial settlement for traffic on the soon to be reopened London-Osaka circuit. According to information from the British, SCAP has requested that the British representative in Japan remit through government channels to the British Wireless and Cable Company, the British share of yen collection in Japan, and that the Japanese share of sterling collections in the U.K. be deposited in SCAP foreign trade account. This would be unsatisfactory to the British and they prefer to offset anything owing to a British carrier for yen prepaid messages from Japan against sterling balances accruing to the Japanese carrier in the U.K. Since this is the procedure that we have contemplated and is in accordance with general settlement practice, we are suggesting that SCAP proceed on this basis.

o j m
JK:OJMcDiarmid:mw

RESTRICTED

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894 7200/2-1747

*A-7H
1004*

DEPARTMENT OF STATE
ASSISTANT SECRETARY

*file
work*

3/6/47

To: General Hilldring
From: Mr. Moreland *DM*
Subj: Japanese Telecommunications.

Our W 88575 of December 28, 1946, proposed that SCAP establish categories of messages that may be prepaid in yen and sent from Japan to other areas. In C 69633, of January 30, 1947, SCAP listed the categories considered essential for the occupation. The attached cable concurs in SCAP's proposal, but suggests that he consider including in these categories yen-prepaid messages which are desirable for promoting Japanese foreign trade. Further suggestions are made with regard to the method of financial settlement between Japan and other countries on such traffic. Information and comments are also requested with regard to negotiations between SCAP and the British in regard to financial settlement for traffic ~~and~~ the soon-to-be-reopened London-Osaka circuit.

This message has been concurred in by Col. Dice, W.D. Ext. 74081, and I recommend your approval.

AH-1004

Revised to C.A.D. Sec.

3/7/47. amb

Colonel Chard

2/21/47

Mr. Moreland

Japanese Telecommunications.

Our W-88575 of 28 December proposed that SCAP establish categories of messages that may be prepaid in yen when sent from Japan to other areas. Such messages would be deemed essential for the occupation, and the foreign carrier's share would be paid by SCAP in foreign currencies out of his import-export funds. SCAP radio, C-69633 of 30 January stated that category deemed to be essential for the occupation, should be restricted to expeditionary force, sender composition, press and government messages, over other than U.S. circuits. SCAP further stated that of these categories, only expeditionary force and sender composition messages should continue to be prepaid in yen. Restricting yen prepaid messages to these categories will reduce present volume of traffic, since private messages can now be sent prepaid in yen between Japan and other countries, excepting the U.S. The matter of press messages is being dealt with in a separate communication.

Our reply concurs in SCAP's suggestion to restrict yen prepaid messages to the EFM and SCM categories, but suggests that in making financial arrangements he consider including yen prepaid messages desirable for promoting Japanese foreign trade. We further suggest that the sender-take-all basis which is believed to be the present method of financial settlement between Japan and other countries excepting the U.S. is not desirable when outbound prepaid traffic is restricted and inbound traffic is unrestricted as the Japanese carriers will not receive their fair portion under such arrangements. We favor arrangements with foreign telecommunications administrations for proper accounting for all messages, and arrangements by which the Japanese share of foreign currency collections less the foreign carrier's share of yen collections be made available in currencies usable for Japanese imports.

U.K. Treasury representative has written State that certain difficulties have arisen in negotiations with SCAP regarding financial settlement for traffic on the soon-to-be-reopened London-Osaka circuit. According to information from the British, SCAP has requested that the British representative in Japan remit the British share of yen collected in Japan through government channels to the British Wireless and Cable Company, and that the Japanese share of sterling collections in the U.K. be deposited in SCAP foreign trade account. This would be unsatisfactory to the British as they prefer to offset anything owing to a British carrier for yen prepaid messages from Japan against sterling balances accruing to the Japanese carrier in the U.K. Since this is the procedure that we have contemplated and is in accordance with general settlement practice, we are suggesting that SCAP proceed on this basis.

I should appreciate your securing War Department concurrence for the attached draft cable and notifying me on State, 3776.

AM-1004

General Hilldring

April 9, 1947

Mr. Moreland

Radiotelegraph Service U. K. - Japan.

1. In SCAP cable C-50946, 18 March 1947, question is raised as to status of negotiations with the British regarding opening London-Osaka radiotelegraph circuit. SCAP understands that the question of financial settlement for traffic over this circuit is under discussion here. Status of these discussions and British proposal as to method of settlement was transmitted to SCAP in WAR 93605, 8 March 1947. Policy that actual negotiations as to terms of financial settlement telecommunications circuits between Japan and foreign countries should be conducted by SCAP was set forth in WAR 88575, 28 December 1947.

2. We consider acceptable British suggestion that only "prepaid into and collect from" messages should be handled at this time. Jap carriers share of foreign exchange accruing from this traffic should be made available for trade purposes. This was set forth in WAR 88575. Recommendation was also made in WAR 88575, that SCAP establish essential categories of messages that could be sent prepaid in yen.

3. War Department concurrence has been secured through Colonel Dice. I recommend concurrence.

894. 7200/4-9-47

A-H-1304.

STANDARD FORM NO. 64

Office Memorandum · UNITED STATES GOVERNMENT

DATE: 5/1/47

TO : Executive, CAD
FROM : Mr. Moreland
SUBJECT : Japanese Telecommunication.

By cable C 51680, 10 April, SCAP proposed to place all countries on the same basis in respect to the payment for messages to and from Japan. He does not propose permitting yen prepaid messages to be sent from Japan except EFM and SCM messages of accredited personnel. The attached cable indicates that SCAP's views in this matter may be accepted for the time being with the understanding that when private trade with Japan is established the subject of yen prepayment of trade messages be reconsidered.

SCAP indicates that the British have suggested that yen accrued to British carriers for messages sent prepaid Japan to Commonwealth points be converted into sterling on the basis that such yen represented yen pay to their forces. The attached cable concurs with SCAP's views that this plan is undesirable and suggests that the practice in regard to UK should be under similar basis as in the case of the US personnel.

The attached cable has the concurrence of the State Department and may be transmitted without further reference to this office.

This cable is in response to SCAP C 51680 (CM-IN 1748, 11 April 1947).

AH:ABMoreland:mds

AH 1472

Phoned him 5/1/47

STANDARD FORM NO. 64

RESTRICTED

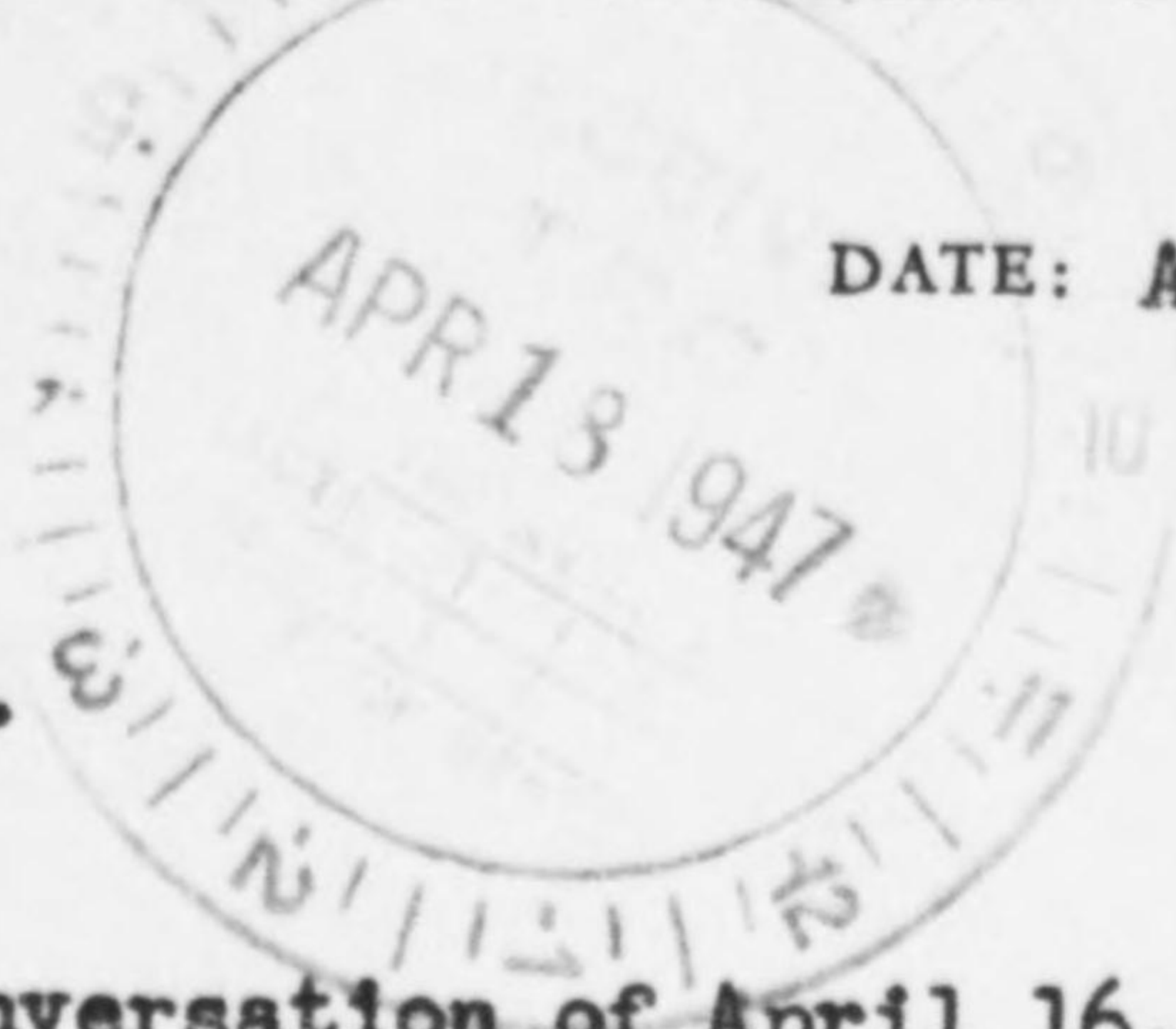
Office Memorandum • UNITED STATES GOVERNMENT

TO : TD - Mr. O'Connor

DATE: April 16, 1947

FROM : JK - Mr. McDiarmid

SUBJECT: SCAP Cable C-51680, 10 April 1947.



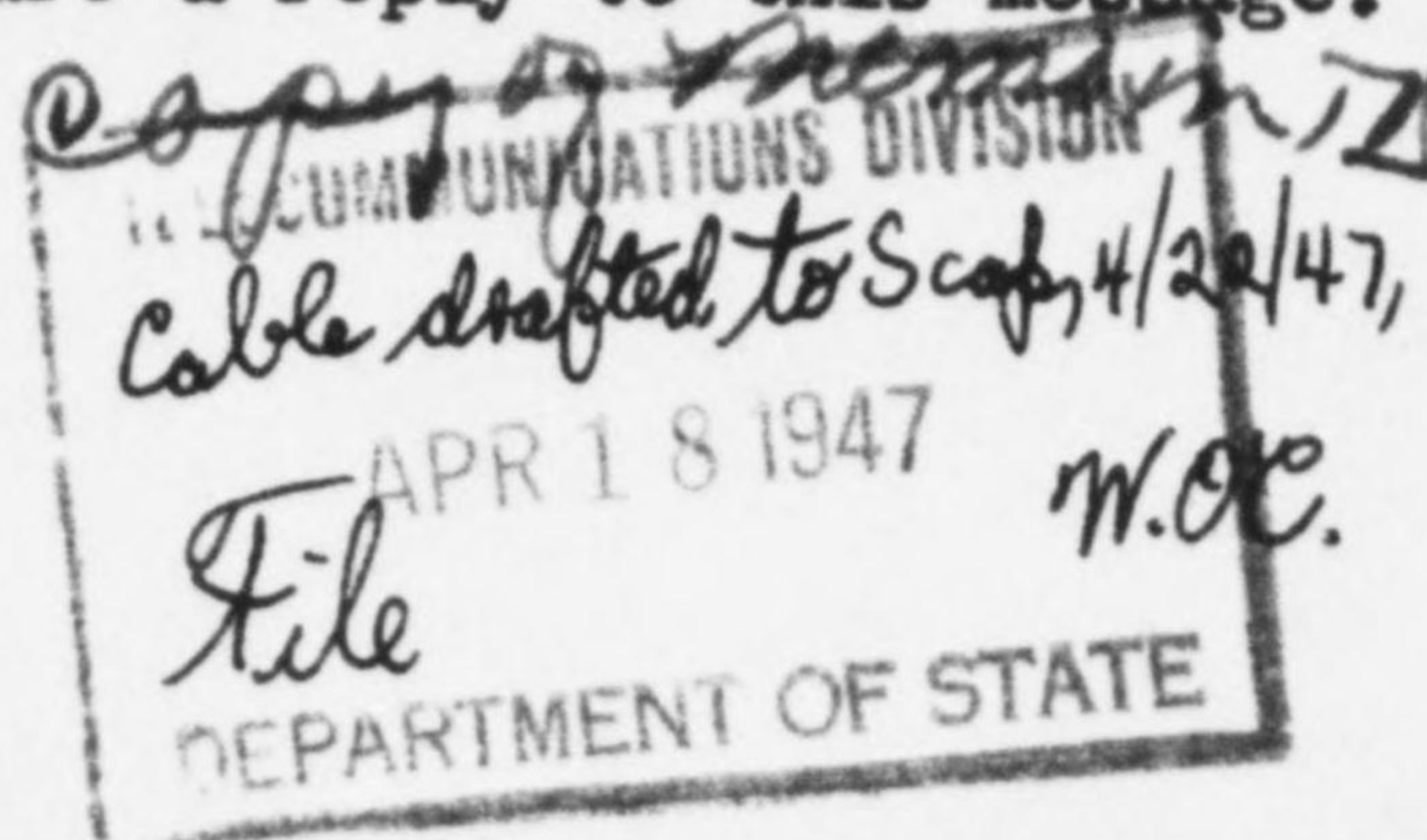
Pursuant to our telephone conversation of April 16, 1947, subject message is being transferred to your Division for appropriate action.

My understanding of the substance of this message is that SCAP proposes to place all countries on the same basis in respect to the payment for messages to and from Japan. He does not propose permitting yen prepaid messages to be sent from Japan, except EFM and SCM messages of accredited personnel. It will be recalled that SCAP initially recommended (in December) that personal messages from non-accredited personnel be sent prepaid in yen. We replied that he should establish essential categories such as trade promotion messages that could be sent on a yen prepaid basis. His position now is that the need does not exist for this type of communication, because of the relaxation of restrictions on postal and communications services, and the introduction of reply prepaid messages. I think we may accept SCAP's view on this matter, with the proviso that when private trade with Japan is established, the subject of yen prepayment of trade messages be reconsidered.

With respect to the handling of messages on the London-Osaka circuit, sent from or to accredited personnel in Japan, SCAP's view seems to be that yen collected in Japan from yen prepaid messages, and representing the British share thereof, should be converted into sterling by the British Government to pay the British carrier's share in sterling. The alternative to this would be to have the British carrier's share of yen prepaid messages, paid from sterling accruing to the Japanese carrier's from sterling collect or prepaid traffic. This latter procedure would be in accordance with the British view. I think SCAP's rejection of the latter procedure on grounds that free funded yen would be used to prepay the messages from Japan, may have some validity, though this is a roundabout way of making the British pay something for funded yen. I think, however, we should examine the U.S. practice in this regard as nearly as practicable, and place the U.K. on a similar basis.

JK will be glad to participate in any meeting you may arrange with the War Department to prepare a reply to this message.

JK:OJMcDiarmid:mw



894.7200/4-1647

RESTRICTED

STANDARD FORM NO. 64

T-389

Office Memorandum • UNITED STATES GOVERNMENT

TO : A-H - JK Secretariat

DATE: June 27, 1947

FROM : JK - Roswell Whitman *RHW*

SUBJECT: Relaxation of Mail Communications with Japan.

SCAP cable C 53391 dealing with the relaxation of mail communications with Japan, was received June 16. On virtually the same date a cable (War 99940) went forth to SCAP, dealing with transactional mail. An adequate answer to SCAP's C53391 cannot be made until SCAP's answer is received to the outgoing cable (War 99940). The following interim reply is proposed:

DRAFT TELEGRAM TO SCAP

Reurad C53391. Believe ^{in 25391} ~~this~~ message dispatched prior your receipt ourad War 99940. Reference to censorship in point one of War 99940 suggests you may desire reconsider your proposal discontinue 100 % censorship as outlined urad C 53391 since your definition of "transactional mail" will affect size and character of censorship task. Also, policy admitting transactional communications on limited basis may have bearing on need retain censorship as control device. Any press release prepared should include both further expansion of informational mail and reopening of transactional mail. Request your answer ourad War 99940 also include your reconsideration urad C 53391. Nothing further.

994-7200/6-2747

JK:DOB *DOB* : bcb

6/27/47

ESP

RAZ
NA
(Mr. Feary)

RAZ
A-H/SJK

A-H

TD
(cleared by O'Connor)

2147