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over the Bonin and Volcano Islands, if the Allied Powers so determine. Therefore, it seems appropriate to maintain the status quo with respect to the civilian population until decisions concerning the future status of the islands and their inhabitants have been reached. Such decisions would cover any question of compensation which might arise.

CONCLUSIONS

6. The Joint Chiefs of Staff should be requested to advise the Commander in Chief, U.S. Pacific Fleet, that, pending the receipt of further instructions, he is to prohibit the return of former civilian inhabitants to the Bonin and Volcano Islands.

RECOMMENDATIONS

7. It is recommended that:
- a. Upon approval by the SWNCC of the "Conclusions":
 - (1) This report be transmitted to the Joint Chiefs of Staff for their guidance, and
 - (2) No part of this report be communicated to our Allies or released to the press.

S E C R E TCOPY NO. 61SWNCC 213/329 November 1945Pages 4 - 8, incl.STATE-WAR-NAVY COORDINATING COMMITTEEEXAMINATION OF FOREIGN BANKS IN JAPAN

References: a. SWNCC 213/D
b. SWNCC 213/1/D
c. SWNCC 213/2/D

Note by the Secretaries

The enclosure, a report on the above subject by the State-War-Navy Coordinating Subcommittee for the Far East, is circulated for consideration by the Committee.

ALEXANDER D. REID

B. L. AUSTIN

RAYMOND E. COX

Secretariat

SWNCC 213/3

SECRETENCLOSUREEXAMINATION OF FOREIGN BANKS IN JAPAN

Report by the
State-War-Navy Coordinating Subcommittee for the Far East

THE PROBLEM

1. To furnish a basis for reply to messages CA53567, CA54052, and CM-IN 12605 from CINCAFPAC dealing with examination and liquidation of certain foreign banks in Japan.

FACTS BEARING ON THE PROBLEM

2. See Appendix "A".

DISCUSSION

3. See Appendix "B".

CONCLUSIONS

4. It is concluded that:
 - a. Liquidation of foreign banks within Japan is not necessary at the present time and the presence of foreign representatives in Japan to examine or to assist in liquidation of banks is not desired.
 - b. In view of intergovernmental policy aspects of the problem, all requests for admission into Japan be referred to Washington for appropriate action through normal diplomatic channels.

RECOMMENDATIONS

5. It is recommended that, upon approval by the State-War-Navy Coordinating Committee of the "Conclusions" in paragraph 4 above:
 - a. This paper be forwarded to the Joint Chiefs of Staff for implementation and to the State, War and Navy Departments for information and guidance.
 - b. The message at Appendix "C" be transmitted to CINCAFPAC.

S E C R E TAPPENDIX "A"FACTS BEARING ON THE PROBLEM

1. In SWNCC 213/D the Joint Chiefs of Staff request that they be furnished with the basis of a reply to a message from General MacArthur on the subject of allowing Chinese Government representatives to examine Chinese branch banks in Japan.

2. SWNCC 213/1/D requests a draft reply to a message from General MacArthur on the subject of allowing French Government representatives to examine certain banks in Japan in which there are French interests.

3. SWNCC 213/2/D contains a message from General MacArthur that the Chinese Government was sending an official to examine a Chinese branch bank in Japan.

4. SWNCC 52/7, paragraphs 41 and 42, states as follows:

"41. You will close and not allow to reopen banks and other financial institutions whose paramount purpose has been the financing of war production or the mobilization or control of financial resources in colonial or Japanese occupied territories. These include:

a. The Wartime Finance Bank,

b. The National Financial Control Association and its member control associations,

c. Offices, in the area, of the Bank of Chosen and the Bank of Taiwan,

d. The various banks and development companies whose fields of operation have been outside Japan proper such as the Southern Development Company, the Southern Development Company Bank and the Tokyo offices of the Central Bank of Manchou, Bank of Mongolia, Federal Reserve Bank of China, and Central Reserve Bank of China. You will take custody of all the books and records of these banks and other institutions.

"42. You are authorized to take such financial measures as you deem necessary to accomplish the objectives of your military occupation, specifically including, without limitation, the following:

a. Close banks, other than those indicated in paragraph 41 above, only where clearly necessary for the purposes of introducing satisfactory control, removing objectionable personnel and taking measures to effectuate the program for the blocking of certain

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accounts and transfers or the determination of accounts to be blocked or for other reasons of military necessity. You should reopen any banks so closed except those indicated in paragraph 41 above, as promptly, as is consistent with the accomplishment of the foregoing purposes.

b. Prohibit, or regulate transfers or other dealings in private or public securities or real estate or other property;

c. Establish a general or limited moratorium or moratoria only to the extent clearly necessary to carry out the objectives of your military occupation;

d. Close stock exchanges, insurance companies and similar financial institutions for such periods as you deem appropriate."

S E C R E TAPPENDIX "B"DISCUSSION

1. Position of foreign governments and their nationals in respect to financial and commercial interests in Japan will be discussed in future FEAC meetings. Pending intergovernmental decisions in this matter, it would be premature to permit foreign governments or their nationals to enter Japan.

2. Since banks constitute only one of many foreign business interests within Japan, the decision to permit any foreign governments or private financial and business interests to examine holdings in Japan, even for the purpose of assisting in their liquidation, would invite widespread requests to enter Japan and to carry on more general activities not now consistent with accomplishment of the objectives of the occupation.

3. The liquidation of puppet and foreign banks within Japan is not regarded as urgent. Until the arrival of a Treasury Financial Mission in Japan, no liquidation of banks is expected or necessary. Hence, at this time, foreign representatives in Japan would perform no immediately useful function.

4. In view of the fact that one or more of the banks mentioned in connection with liquidation may ultimately be reopened, it is feared that examination of these banks by foreign representatives may be veiled attempts to secure preferential position in connection with their reopening at a later date.

5. In view of intergovernmental policy aspects of these problems, it is recommended that action on requests for admission into Japan be taken up through normal diplomatic channels.

S E C R E TAPPENDIX "C"MESSAGE TO BE TRANSMITTED TO CINCAFAC

State, War, Navy and Treasury Departments agree that it is desirable to postpone temporarily liquidation of puppet and foreign banks in Japan as it would necessitate having representatives of foreign governmental or private financial or business interests participate in the examination and liquidation of business enterprises of any kind in Japan. View here is that examination should be permitted only in case of military necessity. Except in such cases, we prefer to await intergovernmental decisions possibly through FEAC, concerning authorization of foreign representation for these purposes. To avoid misunderstanding similar attitude must be taken toward examination and liquidation of U.S. private financial or business interests. This decision should not delay steps your command is taking or contemplate taking in carrying out paragraphs 41 and 42 of SWNCC 52/7. Requests by foreign governments or their nationals to enter Japan for the purpose of examination or assisting in the liquidation of their banks or other interests shall be forwarded to Washington for action through normal diplomatic channels.

REURAD CA54052, 29 October, if representatives of Bank of China have already arrived in Japan they should not be permitted access to the various Chinese banks at this time. State Department will explain to Chinese Government reasons for this.

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COPY NO. _____

5 December 1945STATE-WAR-NAVY COORDINATING COMMITTEEDECISION AMENDING SWNCC 213/3EXAMINATION OF FOREIGN BANKS IN JAPANNote by the Secretaries

1. By informal action on 5 December 1945, the State-War-Navy Coordinating Committee approved SWNCC 213/3 after amending the message at Appendix "C".

2. Holders of SWNCC 213/3 are requested to substitute the attached revised Appendix "C" (page 8) for the one contained therein and destroy the latter by burning.

3. This report as amended has been forwarded to the Joint Chiefs of Staff for implementation and to the State, War and Navy Departments for information and guidance.

ALEXANDER D. REID

B. L. AUSTIN

RAYMOND E. COX

Secretariat

S E C R E TCOPY NO. 61SWNCC 212/13 November 1945Pages 2 and 3STATE-WAR-NAVY COORDINATING COMMITTEESTATUS OF FOREIGN GOVERNMENTS AND
NATIONALS IN JAPANReference: a. SWNCC 212/DNote by the Secretaries

The enclosure, a memorandum on the above subject from the State-War-Navy Coordinating Subcommittee for the Far East, is circulated for consideration by the Committee, as a matter of priority.

ALEXANDER D. REID

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

S E C R E TE N C L O S U R ESTATUS OF FOREIGN GOVERNMENTS AND NATIONALS IN JAPANMemorandum by the
State-War-Navy Coordinating Subcommittee for the Far East

1. SWNCC 212/D requested the Subcommittee for the Far East to prepare a draft reply to a message on subject from the Supreme Commander for the Allied Powers.
2. The Subcommittee recommends:
 - a. That the SWNCC approve the draft dispatch at the Appendix; and
 - b. Upon approval by the SWNCC of the draft dispatch at the Appendix, this paper be forwarded to the State, War and Navy Departments for information and to the Joint Chiefs of Staff for implementation.

S E C R E T

A P P E N D I X

D R A F T

DISPATCH TO THE SUPREME COMMANDER FOR THE ALLIED POWERS

REFERENCE YOUR CA53312

1. STATUS OF FOREIGN GOVERNMENTS AND BASIS OF YOUR TRANSACTIONS WITH NEUTRAL COUNTRIES COVERED IN WAR X-77872 ALREADY SENT YOU.

2. STATUS OF FOREIGN NATIONALS OF BOTH NEUTRAL COUNTRIES AND COUNTRIES WITH WHICH UNITED NATIONS WERE AT WAR NOW UNDER CONSIDERATION BY SWNCC AND JCS.

3. STATE DEPARTMENT HAS NO INFORMATION ON ARRANGEMENTS BETWEEN NEUTRAL POWERS AND FORMER ENEMY COUNTRIES FOR THE PROTECTION BY THE FORMER OF PROPERTY OR FUNDS OF THE LATTER. REQUEST FULL INFORMATION COUNTRIES INVOLVED AND WHETHER PROTECTION IS BASED ON FORMAL PROTOCOL. IF NO (REPEAT NO) FORMAL ARRANGEMENTS INVOLVED, YOU SHOULD REQUIRE PROMPT DISSOLUTION OF UNDERSTANDINGS AND PROCEED ACCORDING TO PARAGRAPH 45, SUBPARAGRAPH a (2) OF FINANCIAL SECTION OF OVERALL DIRECTIVE.

S E C R E TCOPY NO. 6114 November 1945STATE-WAR-NAVY COORDINATING COMMITTEEDECISION AMENDING SWNCC 212/1STATUS OF FOREIGN GOVERNMENTS AND
NATIONALS IN JAPANNote by the Secretaries

1. By informal action, the State-War-Navy Coordinating Committee approved SWNCC 212/1 after amending.
2. Holders of SWNCC 212/1 are requested to substitute the attached revised page 3 (Appendix) for the one contained therein and destroy the latter by burning.

ALEXANDER D. REID

B. L. AUSTIN

RAYMOND E. COX

Secretariat

S E C R E TCOPY NO. 3716 January 1946STATE-WAR-NAVY COORDINATING COMMITTEEDECISION ON SWNCC 211/4TRIAL OF JAPANESE WAR CRIMINALS IN INDIA AND CHINA
BY UNITED STATES TRIBUNALSNote by the Secretaries

By informal action on 16 January 1946 the State-War-Navy
Coordinating Committee approved SWNCC 211/4.

ALEXANDER D. REID

B. L. AUSTIN

RAYMOND E. COX

Secretariat

SECRETCOPY NO. 37SWNCC 211/414 January 1946Pages 9 - 15, incl.STATE-WAR-NAVY COORDINATING COMMITTEETRIAL OF JAPANESE WAR CRIMINALS IN INDIA AND CHINA
BY UNITED STATES TRIBUNALSReference: SWNCC 211/3Note by the Secretaries

The enclosure, a memorandum for the State-War-Navy Coordinating Committee from the Secretary, Joint Chiefs of Staff, is circulated for consideration by the Committee.

ALEXANDER D. REID

B. L. AUSTIN

RAYMOND E. COX

Secretariat

SWNCC 211/4

SECRETENCLOSURETHE JOINT CHIEFS OF STAFF
Washington 25, D. C.SM-4706
12 January 1946

MEMORANDUM FOR THE STATE-WAR-NAVY COORDINATING COMMITTEE:

Subject: Trial of Japanese War Criminals in India
and China by United States Tribunals.

1. Reference is to the existing directive concerning trial of war criminals in China, India and Southeast Asia Command (SWNCC 211/3), which provides, among other things, that the Commanding General, United States Forces, China Theater, and the Commanding General, United States Forces, India-Burma Theater, shall not appoint United States tribunals for such trials without further authorization from the Joint Chiefs of Staff.

2. By radio dated 19 December 1945 (Appendix "B"), the Commanding General, United States Forces, China Theater, seeks authorization to appoint United States military commissions for the prosecution of five described cases involving offenses by Japanese against United States nationals. The radio states that the Chinese have agreed to trial by United States tribunals of the Japanese involved and that all preparations are completed or nearing completion.

3. It is felt that the facts warrant the grant of the requested authority to appoint United States courts to try the Japanese involved. The War Department has informed the Commanding General, United States Forces, China Theater, that his request has been referred to the Joint Chiefs of Staff and has advised him as to procedure in obtaining the additional judge advocates and investigators which he mentions as needed to carry out future war crimes activities involving other cases.

4. It is recommended that the State-War-Navy Coordinating Committee:

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a. Approve the dispatch by the Joint Chiefs of Staff of the radio in Appendix "A" to the Commanding General, United States Forces, China Theater, and

b. Indicate approval of the grant of authority, subject to the discretion of the Joint Chiefs of Staff without further reference to the State-War-Navy Coordinating Committee, to appoint United States tribunals in other cases where war crime offenses of Categories B or C are against United States nationals and where the Chinese Government or the Indian Government acquiesces in such procedure.

For the Joint Chiefs of Staff:

/s/ A. J. McFarland

A. J. McFARLAND,
Brigadier General, U.S.A.,
Secretary.

SECRETAPPENDIX "A"DRAFT

MESSAGE TO: COMMANDING GENERAL, UNITED STATES FORCES,
CHINA THEATER, SHANGHAI, CHINA.

INFORMATION: COMMANDER IN CHIEF, U.S. ARMY FORCES,
PACIFIC ADVANCE, TOKYO, JAPAN.

COMMANDING GENERAL, UNITED STATES FORCES,
INDIA-BURMA THEATER, NEW DELHI, INDIA.

COMMANDING OFFICER, CEYLON AMERICAN
MILITARY AREA COMMAND, KANDY, CEYLON.

Regarding your radio CFB 17916. Authority granted to appoint United States military commissions for the trial of Cases one to five inclusive, to proceed with trials and to approve and execute any sentences adjudged including the death penalty.

SECRETAPPENDIX "B"

From: Headquarters, US Forces, China Theater, Shanghai, China

To: War Department (Chief of Staff)

Nr: CFB 17916

19 December 1945

Refer to urad WARX 88667 and ourad CFB 16516.

In compliance with War Department directive war crimes investigations in this theater have been limited to those cases in which United States military and civilian personnel have been the victims. The war crimes branch of the theater Judge Advocates Office has screened all reports of such mentioned war crimes and has been able to complete investigation in most instances. All information and reports involving war crimes against British, Chinese or other Allies have been transmitted to the proper Allied authorities. The Chinese Government is making its own independent investigation of war crimes against its military and civilian personnel and is now taking steps to apprehend and bring to trial all Japanese war criminals involved in such cases.

Chinese plans are to try their own cases before Chinese military courts. The United States should have no interest in such cases as they involve only atrocities against Chinese citizens. Chinese Government has turned over to this headquarters approximately 50 Japanese military and civilian personnel who are now being held in our custody in Shanghai. All of these people are directly implicated in atrocities against Americans and the Chinese have agreed to plans of this headquarters to proceed with their prosecutions.

Facilities and personnel are adequate in Shanghai to try some of the Japs now in custody. All plans and investigations made by the War Crimes Office here have been made in anticipation of trials being held before United States Military Commission in Shanghai. Accordingly it is requested that specific authority to appoint United States military commissions be granted this command

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for the prosecution of the following cases:

Case Number 1:

Action against 30 Japs up to rank of major general all military and civilian personnel connected with the planning and parading of three United States aircrew members through the streets of Hankow China and subsequent execution without trial. Crewmen were from a B-29 which crashed 100 miles from Hankow in November 1944 on return trip to Chengtu after bombing Omura, Japan. Americans were tortured and beaten by Japanese and Chinese civilian and military personnel during the parade which lasted five hours and was conducted under the direction of the 34th Jap Army and Hankow Gendarmerie Department for the purpose of propagandizing the Hankow Chinese civilian populace. Chinese puppet civilians involved in the case as planners and participants will be prosecuted by Chinese courts when apprehended. After the parade the three Americans were taken to a Japanese crematorium, clubbed and strangled to death and their bodies cremated. Through assistance of Japanese Army authorities confessions have been obtained from practically all participants and the evidence is complete enough to expect convictions against all. Five participants remain unapprehended, three of which are in the hands of the Russians in Korea but efforts to secure their return to Shanghai have been fruitless. 24 Japs to be tried in this case are now imprisoned under American guard at Shanghai. The required personnel for the prosecution and defense is available to try this case. Personnel to make up commission are also available. This case can be tried in Shanghai as soon as authority is given to proceed. One weeks time will be consumed in the trial.

Case Number 2:

Action against one Japanese civilian interpreter for torture and beatings of United States military prisoners of war at Camp Hoten Mikden. This Jap is now in custody of the United States Army in Shanghai and has rendered a full confession of his

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atrocities. His principal offenses were against Americans and he has been considered the most vicious and brutal of the guards at Camp Hoten. This case can be tried in about two days in Shanghai, trial commencing at any time after first January. Other guards at Camp Hoten and guilty of similar offenses are now stated to be in the custody of the Russians and efforts to locate them have failed. Included is the camp commander who is responsible for the death of several hundred American prisoners captured at Bataan. There is adequate personnel available for the appointment of a commission, prosecution and defense.

Case Number 3:

Action against Jap civilian interpreter for torturing and mistreating American military prisoners at Kiangwan and Woosung camp near Shanghai. Jap is now in custody of U.S. Army in Shanghai and has given a confession to all of all criminal acts. This Jap is the most notorious of the Japs who mistreated American prisoners of war. He can be tried in two days at any time after the first of January and there is adequate personnel here for the membership of a commission.

Case Number 4:

Action against approximately 7 Japs as members of a court and prosecution unlawfully condemned an American flier to death, resulting in his execution in Hongkong. This flier was charged with bombing no military targets and was convicted in a summary fashion. The responsible Japs will also include the officer appointing that court. Some of the personnel involved in this case will also be prosecuted by the British authorities who want them for other crimes. Several of the accused in this case have been apprehended and are now in the custody of the British in Hongkong. The case can be tried in Shanghai after 10 January and will require about one weeks time.

Case Number 5:

Action against approximately 7 Japanese responsible for the verdict of death and subsequent execution of 3 American fliers

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captured in China while escaping from the Doolittle raid on Tokyo. These fliers were executed in Shanghai after an improper trial before a Jap military court. Several of the responsible parties are now in custody in Japan and it is expected that most of the responsible persons will be apprehended and available for trial in Shanghai after 15 January. This case has already been assigned to judge advocate officers for investigation and the handling of the prosecution. Adequate personnel will be available on the date of trial to handle this case. It has been reported that 14 American fliers were court martialed and executed in Formosa. These cases have not been investigated as the military situation there did not permit the work of investigators on the island. If cases materialize as indicated by this report approximately 5 additional judge advocates should be made available to investigate and prepare such cases for trial. The date of trial cannot be ascertained at this time. There is also at present a need for 6 judge advocates and 6 investigators to handle new cases and continue war crimes activities, as part of judge advocate staff, including volunteers, are eligible for return to States under current directives governing redeployment and discharge of overseas personnel. In view of the nature of the cases in which the Chinese Government are interested in prosecuting at this time it does not appear that it is advisable to assign any US personnel to serve upon the Chinese courts. If decision is made to empower this command to appoint military commissions for trial of war criminals in cases one, two, three, four and five it is desirable that this authority be sent immediately, outlining in detail full power intended to be exercised. These war crimes cases in this theater now on hand will not require consideration by international tribunals of the type to be appointed under J.C.S. 1512 directive to Supreme Commander.

End.

Note: CFB 16516 is CM-IN-1173 (5 Dec)

CM-IN-5587 (20 Dec 45)

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COPY NO. _____SWNCC 20511 October 1945Pages 1 - 9, Incl.STATE-WAR-NAVY COORDINATING COMMITTEEDISPLACED PERSONS IN JAPANNote by the Secretaries

1. The enclosure, a report by the State-War-Navy Coordinating Subcommittee for the Far East, is circulated for consideration by the Committee.

2. A copy of this paper has been forwarded to the Joint Chiefs of Staff for comment from a military point of view. The comments of the Joint Chiefs of Staff will be circulated to the Committee upon receipt thereof from the Secretary, Joint Chiefs of Staff.

CHARLES W. McCARTHY

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

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E N C L O S U R E

DISPLACED PERSONS IN JAPAN

THE PROBLEM

1. To determine the United States policies concerning displaced persons in Japan and the steps to be taken in their implementation.

DISCUSSION

2. See the Appendix.

CONCLUSIONS

3. The major United States policies in regard to displaced persons in Japan are that:

a. Persons of non-Japanese nationality, including Formosan-Chinese and Koreans, should be repatriated if they so desire as early as possible except such persons who are held as war criminals or for security reasons; and

b. Subject to the general control of the Supreme Commander, the Japanese authorities should be held responsible for the care, safety and welfare of such persons and for their transportation to ports of embarkation.

4. To carry out these policies, the following steps should be taken:

a. Neutral Nationals. All nationals of neutral nations should be required to register with the appropriate military authorities and their respective governments should be notified as to the location and status of these persons. All nationals of neutral nations who have actively participated in any way in the war against one of the United Nations should be arrested for disposition in conformity with other instructions. Neutral nationals should be accorded no special privileges of communications or business relations with their home countries or people resident outside Japan.

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The persons, archives and property of diplomatic and consular officials of neutrals should be accorded full protection.

b. United Nations Nationals.

(1) Civilians who are nationals of the United Nations should be, except as noted below, repatriated, if they so desire. All such civilians resident or interned in Japan should be identified, examined closely and, if the Supreme Commander deems it advisable, placed in custody or restricted residence. Any such person who has played an active part in the formulation or execution of the Japanese program of aggression or who is believed to be desired by his government as a renegade or quisling should be held for disposition in accordance with applicable directives.

(2) No person of Japanese race claiming U.S. citizenship should be repatriated except upon conclusive evidence that he had consistently asserted U.S. citizenship throughout the period of hostilities, including evidence supplied by records of the Swiss representative in Japan in charge of United States interests, and against whom there is no suspicion of having collaborated with the enemy.

(3) Persons of Japanese race claiming citizenship of any other nation should be repatriated only upon concurrence of the government of such nation.

c. Stateless persons, Central European refugees from Nazi oppression and Italian non-Fascists should be assimilated in treatment to United Nations nationals, providing such persons have not supported the Axis cause.

d. Responsibilities of the Japanese Authorities.

Measures should be taken on behalf of United Nations nationals and neutrals to insure the health, welfare and transportation to a port from which they may embark for transoceanic destinations, and should, insofar as practicable, be the responsi-

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bility of the Japanese Government. Any deficiencies resulting in the carrying out of these measures in respect to United Nations nationals should be supplied by the Supreme Commander and the cost thereof should be charged to the Japanese Government. Repatriation from such a port should be provided in accordance with appropriate arrangements between the governments concerned.

e. Political, Racial and Religious Prisoners. Prisoners of non-Japanese nationality found held by the Japanese should be examined for identification and their records reviewed for determination of the cause of detention. All those found to be detained solely on political, racial or religious grounds, should be released except those whom the Supreme Commander decides to hold for security reasons. Those detained should be given prompt trial.

f. Non-Japanese Enemy Nationals.

(1) All nationals of ^{countries except Japan with} ~~Bulgaria, Finland, Germany, Hungary, Italy, Rumania and Siam~~ ^{which any of the United Nations are or have been} ~~should be identified~~ ^{at war in World War II (Bulgaria, Finland, Germany} and registered and may be interned or their activities curtailed as may be necessary under the circumstances.)

Diplomatic and consular officials of such countries, except those identified as loyal to the cause of the United Nations should be taken into honorable custody, held for investigation, and thereafter repatriated in accordance with the provisions of subparagraphs (2) (3) (4) and (5) below.

Property, real and personal, owned or controlled by persons who have been detained or arrested under the provisions of the foregoing paragraph should be taken under control pending directions as to its eventual disposition.

(2) Those non-Japanese enemy nationals who were known as agents or propagandists of Nazism and Fascism (including research experts and students, scientifically skilled persons, persons holding administrative posts in

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commerce or government and all those who sought repatriation to enemy countries during the period of hostilities) should be interned and, after confirmation and agreement by the appropriate authorities in their home countries, repatriated.

(3) Those non-Japanese enemy nationals not subject to internment and repatriation should be given their freedom unless internment is necessary for their protection.

(4) The voluntary repatriation of enemy or ex-enemy nationals of non-Japanese nationality not subject to forceable repatriation should be permitted.

(5) Transportation to a port of embarkation for trans-oceanic destination should be at the expense of Japan and repatriation therefrom should be provided in accordance with appropriate arrangements between the governments concerned.

g. Formosan-Chinese and Koreans.

(1) The Supreme Commander should treat Formosan-Chinese and Koreans as liberated people insofar as military security permits. They are not included in the term "Japanese" as used in this paper but they have been Japanese subjects and may be treated, in case of necessity, as enemy nationals. They should be identified as to nationality, place of residence and present location. They may be repatriated if they so desire under such regulations as the Supreme Commander may establish. However, priority will be given to the repatriation of nationals of the United Nations.

The Supreme Commander, if he finds it necessary, should direct the repatriation of Formosan-Chinese and Koreans and coordinate such repatriation with the repatriation of Japanese nationals from Formosa and Korea.

(2) Arrangements for the repatriation of Formosan-Chinese should be made with the government of China by the United States Government.

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(3) Pending completion of arrangements for the repatriation of Koreans formerly resident in Korea north of 38° North Latitude, between the Soviet Union and the United States, the Supreme Commander, if he finds it necessary, may repatriate such Koreans to that part of Korea south of 38° North Latitude.

(4) When arrangements have been entered into as indicated in subparagraphs 2 and 3 above, and subject to such arrangements, the Supreme Commander should permit voluntary repatriation of Formosan-Chinese and Koreans and may direct their repatriation if he deems such action necessary. Priority, however, should be given to the repatriation of nationals of the United Nations.

(5) Formosan-Chinese and Koreans should be protected from hostile Japanese elements. The Supreme Commander should insure that the Japanese authorities make adequate provision in fact for the care, safety and welfare of Formosan-Chinese and Koreans pending their repatriation.

h. Protection of Property.

(1) Within such limits as are imposed by the military situation, the Supreme Commander should take all reasonable steps necessary to preserve and protect the property of the United Nations displaced persons in Japan and their nationals.

(2) Records of wages, bank deposits, and ownership of securities and other personal property of all non-Japanese displaced persons should be preserved.

i. Return to Homes in Japan.

(1) Non-Japanese displaced persons having homes in Japan and not held as war criminals or for security reasons, should be permitted to return to their homes as soon as conditions permit.

(2) The care and return to their homes or other disposition of Japanese displaced persons should be the responsibility of the Japanese authorities subject to the

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supervision and control of the Supreme Commander. Such operations should be at the expense of Japan and there should be no provision of supplies or services for this purpose except from Japanese sources.

j. Use of UNRRA and Voluntary Agencies. UNRRA and private relief agencies may be used at the discretion of the Supreme Commander wherever available in the care and repatriation of United Nations nationals and those assimilated to them in treatment.

RECOMMENDATIONS

5. It is recommended that:

a. This report be referred to the Joint Chiefs of Staff with a request for their comments from a military point of view; and

b. Upon approval by the SWNCC of the "Conclusions" in paragraph 4 above:

(1) This report will be transmitted to the Joint Chiefs of Staff and to the State, War and Navy Departments for their guidance and, where appropriate, for implementation;

(2) The "Conclusions" in paragraph 4 above be communicated by the Department of State to the Governments of the United Kingdom, the Soviet Union, China, France, the Commonwealth of the Philippines, Australia, Canada, New Zealand and the Netherlands, together with a statement that the U.S. Government has dispatched the "Conclusions" to the Supreme Commander for the Allied Powers and a request that this information be treated as confidential until such time as it may be released to the public by the United States Government; and

(3) The Department of State at its discretion may release to the press the "Conclusions" in paragraph 4 above after notifying the Supreme Commander for the Allied Powers of its intention to do so.

RESTRICTEDA P P E N D I XDISCUSSION

1. The term "displaced persons" includes all persons displaced externally, beyond the borders of their own countries, and internally within their own countries. Koreans and Formosans are regarded as externally displaced in Japan. The term "displaced persons" does not include the United Nations prisoners of war as defined in SWNCC 60/5.

2. The term "Japan" includes the four main islands of Japan: Hokkaido (Yezo), Honshu, Kyushu and Shikoku and about 1,000 smaller adjacent islands, including the Tsushima Islands. The term "displaced persons in Japan" includes displaced persons found in Japan.

3. The various categories of displaced persons in Japan are discussed in the succeeding paragraphs. The numbers given are estimates, based on the best available information.

4. United Nations Nationals.

a. Asiatics. Possibly 80,000 Chinese (mostly laborers but including a few business men, merchants, technicians, and students); 975 Indians including students (Japan is the seat of a number of anti-British Indian and Burmese revolutionary leaders and organizations unfriendly to the cause of the United Nations); 140 Filipinos including students; 200 Indonesians from the Netherlands East Indies. Some of the foregoing students have probably responded favorably to Japanese propaganda. As indicated, the Asiatic displaced persons are mostly Chinese laborers who will be found unemployed on occupation. They will constitute a source of labor for repair and restoration work. Some were small merchants who may want to continue or re-open their businesses. Others in foreign trade houses and in banks may desire to remain and after examination as to trustworthiness, may be useful to the military authorities in arrangements in respect to foreign property.

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b. Occidentals. 180 Americans (not including 10,000-15,000 Americans of Japanese parentage and having dual citizenship); 510 French; 260 Netherlanders; 165 nationals of the USSR (not including White Russians); 130 Poles; 90 Danes; 85 British; 55 Syrians; 50 Belgians; and 5 Canadians. These persons were in foreign trade before the war, taking, therefore, an important place in Japanese economy, or were missionaries. They will probably want to go home. Some will want later to return as trade revives. A few may prefer to remain, especially missionaries and business people who may want to look out for their own interests. Many may need medical care.

5. Japanese nationals from outside Japan.

2,100,000 Koreans; 38,000 Formosan-Chinese. These are principally laborers though there are perhaps 50,000 Koreans and a few Formosan-Chinese business men, merchants, technicians and students. The level of laborers' wages related to their standard of living is probably higher than in their respective countries. Koreans have a deep-seated enmity to the Japanese, who since December 1944 have attempted to mollify Koreans by promises of future non-discrimination. There is no evidence of any overt acts by them in favor of the Allied cause. Formosan-Chinese are also anti-Japanese; in their case also there is no evidence of overt acts in favor of the Allied cause. These people will be largely unemployed on occupation. They will be available for repair and reconstruction work pending decision as to their repatriation. As long as they remain in Japan, they will be a drain on Japanese resources and on the Japanese economy and will tend to be a source of disorder. They may be of use in Korea, especially those who are skilled workers and technicians. Some have lived long in Japan and may want to remain but the economic situation will be unfavorable. Some were born in Japan but the Korean nationality law will probably consider them as Korean nationals.

RESTRICTED6. Enemy or ex-enemy Nationals.

1845 Germans (mostly business men and technicians), including refugees from Nazi oppression, probably stateless, who are assumed to be friendly to the United Nations; 240 Italians; 350 Siamese (including students). These people may not wish to return to the countries from which they came. Many will be in need of support. The assistance of UNRRA and private agencies as available may prove useful.

7. Stateless persons.

1300 White Russians. This group has been a long time in Japan. Some were born there. They are mostly peddlers and small merchants of low economic status and of no economic importance. They do not appear to have a permanent place in the Japanese economy but have no other country to go to except possibly the USSR where they will probably not want to go. Most of them may be expected to be elderly people and will be in need of support. The assistance of UNRRA and private agencies as available may prove useful.

8. Neutrals and others.

240 Swiss; 220 Portuguese; 115 Spanish; possibly 110 Swedes. These are largely men in business houses and banks connected with foreign trade or missionaries. There are 1,300 other foreigners in Japan not classified by nationality.

9. Political prisoners.

There are an unknown number of political prisoners of all nationalities in Japan.

10. Internally-displaced Japanese.

There are an estimated 10,000,000 internally-displaced Japanese.

S E C R E TCOPY NO. 43SWNCC 196/18 October 1945Pages 4 - 9, incl.STATE-WAR-NAVY COORDINATING COMMITTEEDISPOSITION OF EQUIPMENT SURRENDERED TO ALLIED
FORCES IN THE SOUTHEAST ASIA COMMANDReference: a. SWNCC 196/DNote by the Secretaries

The enclosure, JCS 1533, prepared by the Joint Logistics Committee in collaboration with the State-War-Navy Coordinating Subcommittee for the Far East, was approved by the Joint Chiefs of Staff and is circulated for consideration by the Committee.

CHARLES W. McCARTHY

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

SWNCC 196/1

SECRETENCLOSURESECRETJ.C.S. 15331 October 1945Pages 1 - 6, incl.JOINT CHIEFS OF STAFFDISPOSITION OF EQUIPMENT SURRENDERED TO ALLIED
FORCES IN THE SOUTHEAST ASIA COMMAND
Reference: J.C.S. 1328 SeriesReport by the Joint Logistics CommitteeTHE PROBLEM

1. To submit recommendations, from the military point of view, on a report of the State-War-Navy Coordinating Subcommittee for the Far East with regard to a memorandum, dated 18 September 1945, by the Acting Chairman, State-War-Navy Coordinating Committee (Appendix "B", without amendments).

FACTS BEARING ON THE PROBLEM

2. The memorandum in Appendix "B" was circulated originally (without the amendments shown) as Enclosure to SWNCC 196/D. The Joint Logistics Committee collaborated with the State-War-Navy Coordinating Subcommittee for the Far East in the study of this subject by presenting the military implications.

3. The State-War-Navy Coordinating Subcommittee for the Far East has recommended that Appendix "B" be amended as indicated.

CONCLUSION

4. Appendix "B", with amendments shown, contains no undesirable military implications.

RECOMMENDATION

5. It is recommended that:

a. The memorandum in Appendix "A" be presented to the Combined Chiefs of Staff.

b. A copy of this report be forwarded to the State-War-Navy Coordinating Committee.

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Enclosure

SECRETAPPENDIX "A"DRAFTCOMBINED CHIEFS OF STAFFDISPOSITION OF EQUIPMENT SURRENDERED TO ALLIED
FORCES IN THE SOUTHEAST ASIA COMMANDMemorandum by the United States Chiefs of Staff

1. The United States Chiefs of Staff have noted SEACOS 474 (Annex) from the Supreme Allied Commander, Southeast Asia Command concerning the disposition of equipment surrendered to Allied forces there.
2. For your information and possible assistance in the preparation of a reply to the Supreme Allied Commander, it is the policy of the United States that surrendered enemy equipment should, in general, be destroyed or scrapped. Exceptions are made in the cases of unique and new development items desired for examination or research and when, in the opinion of the theater commander, some such equipment is required by him for operational needs such as temporarily equipping a police force to maintain local order.
3. The United States Chiefs of Staff consider that it would be undesirable to establish as a precedent that an ally should turn over to any territorial sovereign equipment seized in the territory of that sovereign.

SECRETANNEX TO APPENDIX "A"

From: SACSEA

To: Chiefs of Staff (British)
Rptd: Joint Staff MissionNr: SEACOS 474

8 September 1945

1. I would be grateful for guidance on the policy for the disposal of all surrendered arms, ammunition, explosives, military equipment, stores, supplies, other implements of war, installations and war materials.

2. Pending receipt of your instructions I propose that:

a. Force commanders will have authority to allocate any surrendered equipment, stores, etc. as prescribed in paragraph 1 required for immediate use by occupying forces.

b. My headquarters will authorize allocation and use of such surrendered equipment where movement from one area to another is involved.

3. I request your agreement to proposal in paragraph 2 and in particular I require guidance on question of the use of surrendered equipment for the equipping of any Allied forces that may be placed under my command for reoccupational duties or for the rehabilitation of Allied countries.

4. I would also request guidance on the procedure to adopt for the final disposal of stores and equipment listed in paragraph 1, and whether equipment handed over in territories of Allies is to be regarded as the property of Allied governments concerned. In addition I would be grateful for instructions regarding any special types of equipment, which are particularly required for examination by intelligence or for research purposes.

End.

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annex to appendix "A"

SWNCC 196/1

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annex to appendix "A"

SECRETAPPENDIX "B"DISPOSITION OF EQUIPMENT SURRENDERED TO ALLIED FORCESMemorandum by the Acting Chairman, State-War-Navy
Coordinating Committee

18 September 1945

THE PROBLEM

I. What disposition should be made of surrendered military equipment with respect to the claims on that equipment of the territorial sovereign.

FACTS BEARING ON THE PROBLEM

II. A. On September 8 the Supreme Allied Commander of the Southeast Asia Command stated that he would temporarily allocate surrendered equipment for use by occupying forces or for use where movement from one area to another was involved and requested further guidance from the British Chiefs of Staff on the question of the use of surrendered equipment, inquiring if it might be used for the equipping of any Allied forces placed under his command for re-occupation duties, or for the rehabilitation of Allied countries; and in final disposition whether such equipment handed over in the territory of an Ally is to be regarded as the property of the government of that Ally. A copy of the request was transmitted to the United States Joint Chiefs of Staff for possible comment.

B. Current practice in Europe and United States policy in the Far East as indicated in SWNCC 58/5 (Appendix "B" to J.C.S. 1328 as amended by J.C.S. 1328/1), which was revised to become 58/9 (J.C.S. 1328/5), is to destroy surrendered equipment. It is understood, however, that the theatre commander is empowered to make surrendered material available to any local police force which he

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Appendix "B"

SWNCC 196/1

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Appendix "B"

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desires to use to maintain order. In no instance, however, may such equipment be used to equip and arm forces which might become a post-war army in any area nor is such equipment handed over in the territory of an Ally regarded as the property of the government of that Ally.

DISCUSSION

III. Equipment surrendered in Europe has in general been destroyed and it is United States policy in the Far East likewise to destroy surrendered equipment. There would be no objection, however, to the theater commander using surrendered material in temporarily equipping a police force to maintain order, but accepted practice would permit objection to be raised to the arming of forces which might become a post-war army in any given area or to the handing over of such equipment taken in the territory of an Ally to become the property of that Ally. In view of the fact that the United States does not oppose the reestablishment of French, British or Dutch control over their former colonies but does not propose to be an active agent in supporting the reestablishment of their control by force, it seems desirable to extend the current policy to the Southeast Asia Command.

CONCLUSION

IV. It is concluded that equipment surrendered in the Southeast Asia Command should in general be destroyed or, scrapped. Exceptions may be made in the cases of unique and new development items desired for examination or research and when, in the opinion of theater commander, some such equipment is required by him for operational needs such as temporarily equipping a police force to maintain local order. ~~in-a-limited-degree-be used-at-the-discretion-of-the-theater-commander,-to-equip-a police-force-to-maintain-local-order.~~

S E C R E TRECOMMENDATION

~~V. It is recommended that the Joint Chiefs of Staff inform the Combined Chiefs of Staff of the above conclusion with the suggestion that a directive be issued to the Supreme Allied Commander of the Southeast Asia Command to that effect.~~

V. It is recommended that the State-War-Navy Coordinating Committee:

- a. Approve the Conclusion in paragraph IV, and
- b. Transmit the Conclusion to the Joint Chiefs of Staff for their guidance and necessary implementation.

CONFIDENTIALCOPY NO. 69SWNCC 192/328 November 1945Pages 14 - 21, incl.STATE-WAR-NAVY COORDINATING COMMITTEEEXERCISE OF CRIMINAL AND CIVIL JURISDICTION OVER
UNITED NATIONS NATIONALSReferences: a. SWNCC 192/1
b. SWNCC 192/2Note by the Secretaries

1. The enclosure, a revision of SWNCC 192/1 to incorporate the amendments proposed by the Joint Chiefs of Staff in SWNCC 192/2, was approved by the Committee on 28 November 1945 and is circulated for information and guidance.

2. The draft reply at Appendix "A" has been forwarded to the Secretary of State with a recommendation that it be communicated to the British Embassy, and the draft dispatch at Appendix "B" will be forwarded to the Joint Chiefs of Staff for transmittal to General of the Army MacArthur after dispatch of the note to the British Embassy.

ALEXANDER D. REID

B. L. AUSTIN

RAYMOND E. COX

Secretariat

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E N C L O S U R E

EXERCISE OF CRIMINAL AND CIVIL JURISDICTION OVER
UNITED NATIONS NATIONALS

Report by the
State-War-Navy Coordinating Subcommittee for the Far East

THE PROBLEM

1. SWNCC 192/D directs the Subcommittee:
 - a. To draft an appropriate cable to General of the Army MacArthur to be cleared with the Joint Chiefs of Staff, and
 - b. To prepare recommendations to the Department of State as to the nature of the reply to be made to the Aide Memoire from the British Embassy dated 24 August 1945 (Appendix to SWNCC 192/D).

FACTS BEARING ON THE PROBLEM

2. The British Aide Memoire proposes that during the period of allied occupation in Japan, no United Nations nationals should be within jurisdiction of Japanese courts. It is proposed that United Nations nationals not triable by courts martial be tried by Allied military courts, and that, in due course, Allied military courts be given civil jurisdiction over all proceedings affecting United Nations nationals. It is also suggested that in certain strictly limited circumstances, Japanese authorities be permitted to take a United Nations national into temporary custody.

3. The views of the Assistant Secretary of War concerning the British proposals are set forth in SWNCC 192/D.

DISCUSSION

4. See Appendix "C".

RECOMMENDATIONS

5. It is recommended that:
 - a. This report be referred to the Joint Chiefs of Staff for comment from the military point of view.

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b. Upon approval by the SWNCC of the draft messages at Appendix "A" and Appendix "B", Appendix "A" be communicated by the Department of State to the British Embassy, and Appendix "B" be thereafter dispatched by the Joint Chiefs of Staff to the General of the Army MacArthur.

CONFIDENTIALAPPENDIX "A"Draft Reply to Aide Memoire from the British Embassy

1. Reference is made to the Aide Memoire of the British Embassy dated August 24, 1945 (REF:G107 / / 45), regarding the exercise of jurisdiction over United Nations nationals in Japan during the period of Allied occupation.

2. To allow Japanese courts to exercise jurisdiction in criminal cases involving nationals of the United Nations during the period of stress incident to military occupation might well prove embarrassing to those courts as well as to the Governments and nationals of the United Nations. The Government of the United States therefore agrees with His Majesty's Government that during the period of military occupation, Japanese courts should not exercise jurisdiction in criminal matters over nationals of the United Nations, and that where there is reasonable suspicion that a serious offense has been committed by such a national in areas not actually in Allied military occupation, it may be necessary to allow Japanese authorities to take such a national into custody but that this should be under a specific obligation forthwith to turn him over to the appropriate Allied military authorities.

3. It is the view of this Government that civil claims by Japanese nationals against United Nations nationals attached to or accompanying the occupying forces should be the subject of claims submitted by the Japanese government to the Supreme Commander, or his appropriate Allied representatives. With respect to other civil cases, a different situation would seem to be presented, and the reasons for depriving local courts of customary jurisdiction would not seem to obtain to the same extent. As to these cases, the Government of the United States believes that the Supreme Commander should (1) direct that decisions in all civil cases affecting United

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Nations nationals or organizations shall be subject to review, including revision, or such other action as may be considered necessary for the protection of their rights, by the Supreme Commander or his representative and (2) take such steps as he deems necessary to ensure that in the trial of such civil cases the rights of United Nations nationals or organizations parties thereto are adequately protected.

4. The foregoing procedures would avoid the placing of an undue burden on the occupying authority and also would avoid the implication of a reversion of extraterritorial jurisdiction, which might give rise to apprehension and misunderstanding not only in Japan but also throughout the Far East. Should the courts at any time demonstrate a lack of purpose or ability to deal fairly with nationals of the United Nations, the Supreme Commander has the authority to change the courts or otherwise deal with the situation.

CONFIDENTIALAPPENDIX "B"Draft Dispatch to General of the Army MacArthur

1. You will provide that no criminal jurisdiction of any sort will be exercised by the Japanese courts with respect to United Nations nationals or organizations (including corporations), but that such criminal jurisdiction will be exercised by military courts of the United Nations, as follows:

a. in the case of military or naval personnel and persons accompanying the armed forces, courts of the nation of the forces of which they are a part,

b. in the case of a national of one of the occupying powers, by a military court of his nationality,

c. in the case of other United Nations nationals, the Allied military court having jurisdiction in the particular territory.

2. You will strictly limit the authority of the Japanese to take any national of a United Nation into custody

a. to those areas of Japan not actually in Allied Military occupation, and

b. in such areas, only to those cases in which there is a reasonable suspicion that a serious offense has been committed. You will place the Japanese authorities under specific orders to hand over such a person forthwith to the nearest Allied military authorities.

3. You will provide that no civil jurisdiction of any sort will be exercised by the Japanese courts with respect to United Nations nationals or organizations (including corporations), attached to or accompanying the armed forces. You will provide that civil claims against such persons or organizations shall be presented to you or your representative by the Japanese Government.

4. You will direct that decisions in all civil cases affecting other United Nations nationals or organizations,

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or in which such nationals or organizations are or may become parties, shall be subject to review, including revision, or such other action as may be considered necessary for the protection of their rights, by the Supreme Commander or his representative.

5. You will take such steps as you deem necessary, including suspension of proceedings, to ensure that in the conduct of such civil cases the rights of United Nations nationals or organizations parties thereto are adequately protected.

6. It is recognized that the available United States legal officers will be barely sufficient to deal with such cases as involve United States nationals. You may therefore advise the responsible commanders of other Allied forces that assistance in such cases as involve their nationals must be supplied by them.

CONFIDENTIALAPPENDIX "C"DISCUSSION

1. It is clear that no criminal jurisdiction of any sort be exercised by the Japanese courts with respect to United Nations nationals or organizations (including corporations) but that such criminal jurisdiction should be exercised by military courts of the United Nations as follows:

a. In the case of military or naval personnel and persons accompanying the armed forces, courts of the nation of the forces of which they are a part, and

b. In the case of other United Nations nationals, the Allied military court having jurisdiction in the particular territory.

2. It appears that it may be necessary to permit Japanese authorities, in certain strictly limited circumstances, to take a United Nations national into custody; but as suggested in paragraph 3 of the British Aide Memoire, this power should in any event be restricted:

a. To areas (if any) of Japan not actually in Allied military occupation, and

b. In such areas, only to cases in which there is a reasonable suspicion that a serious offense has been committed.

Japanese authorities should be under a specific obligation to hand over such a person forthwith to the Allied military authorities under pain of rigorous punishment if any delay occurs.

3. With respect to civil jurisdiction, it is well established practice for a military occupant to deny local courts jurisdiction over persons attached to or accompanying the occupying forces. Normally, civil claims against such persons are presented to the occupant by local authorities. No reason

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is perceived why such practice should not be followed in Japan.

4. As to other United Nations nationals, it is believed that the existing jurisdiction of the Japanese civil courts in civil cases involving such persons should be continued. The Supreme Commander, under his general powers to accomplish the objectives of the occupation, has the authority to review decisions in such proceedings and likewise, to take such steps as he deems necessary to insure that the rights of United Nations nationals are not prejudiced during the course of litigation. By the exercise of his authority, the Supreme Commander should insure that the interests of United Nations nationals are adequately protected in the Japanese civil courts.

5. Use of the existing Japanese civil courts in the conduct of civil proceedings involving United Nations nationals would avoid placing an undue burden on the occupying authority and would also avoid an implication of a reversion to extra-territorial jurisdiction, which might give rise to apprehension and misunderstanding not only in Japan but also throughout the Far East. The establishment of Allied military courts, as proposed by the British, might well impose an undue burden upon the Supreme Commander since Japanese law would generally be applicable and the Allied forces would have few persons, if any, who could handle such litigation satisfactorily. Should the Japanese civil courts, at any time, demonstrate a lack of purpose or ability to deal fairly with nationals of the United Nations, the Supreme Commander has the authority to change the courts or otherwise deal with the situation.

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COPY NO. 60

SWNCC 186/6

5 November 1945

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STATE-WAR-NAVY COORDINATING COMMITTEE

DISPOSITION OF COMBATANT VESSELS
OF THE JAPANESE NAVY

References: a. SWNCC 186/D.
 b. SWNCC 186/4.

Note by the Secretaries

The enclosure, a proposed memorandum for the Joint Chiefs of Staff, on the above subject, presented by the Under Secretary of the Navy, is circulated for consideration by the Committee.

ALEXANDER D. REID

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

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TOP SECRETE N C L O S U R ED R A F T

MEMORANDUM FOR THE JOINT CHIEFS OF STAFF:

Subject: Disposition of Combatant Vessels of the Japanese Navy.

References: a. Memorandum from Joint Chiefs of Staff
SM-3245 of 6 September 1945.
b. Memorandum from Joint Chiefs of Staff
SM-3868 of 22 October 1945

1. You are advised that with the exception of destroyers and surface vessels of lesser tonnage you may proceed to destroy all combat vessels of the Japanese fleet, in such manner and at such time or times and place or places as you deem advisable.

2. Destroyers and surface vessels of lesser tonnage in the Japanese fleet will be divided equally among the United States, the U.S.S.R., China and the United Kingdom. In order to meet the United States military requirement of vessels of small type for experimental purposes, you are advised that you may proceed to select and use for such purposes such vessels as would constitute the United States share of an assumed equitable quadripartite division of the destroyers and surface vessels of a lesser tonnage in the Japanese fleet.

TOP SECRETTOP SECRETCOPY NO. 56 September 1945STATE-WAR-NAVY COORDINATING COMMITTEEDECISION AMENDING SWNCC 181/1CUSTODY OF JAPANESE ARCHIVES AND DIPLOMATIC PROPERTYNote by the Secretaries

1. At their 23rd Meeting, the State-War-Navy Coordinating Committee approved SWNCC 181/1 after amending as follows:

Inserted the words "stated in good faith" between the words "policy" and "with" in line 6-7, paragraph 3, of Appendix "B" on page 9.

2. This paper, as amended, was approved by the President on 6 September 1945.

3. The Joint Chiefs of Staff have been requested to dispatch the messages contained in Appendices "B" and "C" to the Supreme Commander for the Allied Powers in Japan.

CHARLES W. McCARTHY

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

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TOP SECRETTOP SECRETCOPY NO. 5SWNCC 181/13 September 1945Pages 4 - 10, incl.STATE-WAR-NAVY COORDINATING COMMITTEECUSTODY OF JAPANESE ARCHIVES AND DIPLOMATIC PROPERTY
Reference: a. SWNCC 181/DNote by the Secretaries

1. The enclosure, a report by the State-War-Navy Coordinating Subcommittee for the Far East on reference a, is circulated for consideration by the Committee.

2. A copy of this report has been forwarded to the Joint Chiefs of Staff for comment from a military point of view as a matter of urgency. The comments of the Joint Chiefs of Staff will be circulated to the Committee upon receipt thereof from the Secretary, Joint Chiefs of Staff.

CHARLES W. McCARTHY

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

SWNCC 181/1**TOP SECRET**

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ENCLOSURE

CUSTODY OF JAPANESE ARCHIVES AND DIPLOMATIC PROPERTY

Report by the State-War-Navy Coordinating Subcommittee
for the Far East

THE PROBLEM

1. To prepare messages for transmittal to the Supreme Commander for the Allied Powers which contain:
 - a. Clarification and exposition to him of the authority which the President considers he is to exercise in his position as Supreme Commander for the Allied Powers; and
 - b. Specific instructions concerning the matter of Japanese archives and diplomatic property.

FACTS BEARING ON THE PROBLEM

2. See Appendix "A".

DISCUSSION

3. The matter noted in paragraphs 4 and 5 of Appendix "A" has indicated the need, as expressed by SWNCC 181/D, for the expression of views as outlined in paragraph 1 above.
4. In signing the surrender instrument the Emperor and the Japanese Government have expressly subordinated their authority to that of the Supreme Commander for the Allied Powers. The authority given the Supreme Commander to "take such steps as he deems proper to effectuate the surrender terms" has foreclosed all argument on this point. By this provision the Japanese lose the right to challenge any action taken by the Supreme Commander, whatever it may be. Quite apart from this language it is unthinkable that the Supreme Commander should be required to haggle with the Japanese as to the meaning of words or over any action that he might take in relation to the occupation. If the door is open in any

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case, it is opened in all. The Supreme Commander will be guided by policies determined by our government, with or without agreement with the Allied Powers; but these policies vis-a-vis Japan will be determined by us unilaterally and without discussion or bargaining with the Japanese as to the meaning of the Potsdam Declaration or any other document. Within the framework of these policies, the authority of the Supreme Commander to take such steps for their implementation as he deems appropriate must be absolute. To require constant reference from the field on matters of implementation would create an equally impossible situation. Only the Supreme Commander is able to act effectively, since he is present on the ground and has superior knowledge of existing conditions.

5. The United States has certain broad and fundamental objectives in the Pacific and the Far East, the most important being the establishment and maintenance of peace and security. In resolving any question of policy regarding Japan the primary consideration of this government must be the attainment of these basic objectives. The Potsdam Declaration is not, and is not intended to be, a complete or definitive statement of these objectives or of all policies appropriate to the attainment of these objectives, but is rather a statement of our intentions regarding certain matters specified therein. Nor is the Potsdam Declaration a charter beyond the four walls of which the United States cannot go in formulating policies for the attainment of its basic objectives. To circumscribe our policies by restricting them to the language of that document alone would be highly unrealistic and might very well defeat our ultimate aims.

6. For these reasons it is submitted that in relation to questions concerning the occupation of Japan, or any other

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question arising in the Far East, the standard of reference must be the basic policies and objectives of the United States taken as a whole, and decision must be reached in relation thereto and not upon examination of the Potsdam Declaration alone.

7. The statement of intentions contained in the Potsdam Declaration will be given full effect. It will not be given effect, however, because we consider ourselves bound in a contractual relationship with Japan as a result of that document. It will be respected and given effect because the Potsdam Declaration forms a part of our policy with relation to Japan and with relation to peace and security in the Far East.

RECOMMENDATIONS

8. It is recommended:

a. That the initial draft dispatches in Appendix "B" and Appendix "C" be approved by the State-War-Navy Coordinating Committee; and

b. That message No. 2 in Appendix "C" not be transmitted prior to the dispatch of message No. 1 at Appendix "B".

TOP SECRETAPPENDIX "A"FACTS BEARING ON THE PROBLEM

1. Paragraph 6 of the Instrument of Surrender reads as follows:

"We hereby undertake for the Emperor, the Japanese Government and their successors to carry out the provisions of the Potsdam Declaration in good faith, and to issue whatever orders and take whatever action may be required by the Supreme Commander for the Allied Powers or by any other designated representative of the Allied Powers for the purpose of giving effect to that Declaration."

2. Paragraph 8 of the Instrument of Surrender reads as follows:

"The authority of the Emperor and the Japanese Government to rule the state shall be subject to the Supreme Commander for the Allied Powers who will take such steps as he deems proper to effectuate these terms of surrender."

This authority was transmitted by the President to General of the Army MacArthur in a directive on 12 August 1945.

(SWNCC 21/6, Enclosure "C")

3. Paragraph 6 of the Potsdam Declaration reads as follows:

"There must be eliminated for all time the authority and influence of those who have deceived and misled the people of Japan into embarking on a world conquest. We insist that a new order of peace, security and justice will be impossible until irresponsible militarism is driven from the world."

4. On 14 August 1945, the Department of State, through the Swiss Government, asked the Japanese Government to issue

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instructions to its diplomatic and consular officials in neutral nations to turn over all property and archives to the custody of Allied representatives. The Japanese replied through the Swiss that they regretted that they could not comply with the U.S. demand, since this did not conform with any terms of the Potsdam Declaration. Subsequently, General of the Army MacArthur was requested, when issuing instructions to the Japanese, to make provisions for the surrender of Japanese diplomatic and consular property and archives to the custody of the Allies.

5. General of the Army MacArthur replied to the effect that since the premises are located in foreign countries he had no power to enforce the demand, and furthermore, that the Japanese would make the same reply to him as had been made to the Department of State. He therefore suggested that the desired purpose could be accomplished by pressure on higher governmental levels.

TOP SECRETAPPENDIX "B"Message Number 1

1. The authority of the Emperor and the Japanese Government to rule the State is subordinate to you as Supreme Commander for the Allied Powers. You will exercise your authority as you deem proper to carry out your mission. Our relations with Japan do not rest on a contractual basis, but on an unconditional surrender. Since your authority is supreme, you will not entertain any question on the part of the Japanese as to its scope.

2. Control of Japan shall be exercised through the Japanese Government to the extent that such an arrangement produces satisfactory results. This does not prejudice your right to act directly if required. You may enforce the orders issued by you by the employment of such measures as you deem necessary, including the use of force.

3. The statement of intentions contained in the Potsdam Declaration will be given full effect. It will not be given effect, however, because we consider ourselves bound in a contractual relationship with Japan as a result of that document. It will be respected and given effect because the Potsdam Declaration forms a part of our policy *stated in goal* ^{faith} with relation to Japan and with relation to peace and security in the Far East.

TOP SECRETAPPENDIX "C"Message Number 2

There is no immediate urgency for accomplishment of directive contained in WAR 53582, 21 August. After you have satisfactorily established control over the Japanese Government, you will require it to comply with the order called for in such directive. This answers your C-36364 of 24 August.

RESTRICTEDCOPY NO. 338 January 1948STATE-ARMY-NAVY-AIR FORCE COORDINATING COMMITTEEMEMORANDUM FOR HOLDERS OF SWNCC 176/18POLITICAL POLICY FOR KOREANote by the Secretaries

Holders of SWNCC 176/18 are requested to downgrade all copies thereof from TOP SECRET to RESTRICTED.

H. W. MOSELEY

W. A. SCHULGEN

V. L. LOWRANCE

V. F. FIELD

Secretariat

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TOP SECRETTOP SECRETCOPY NO. 33SWNCC 176/1828 January 1946Pages 104 - 122, incl.STATE-WAR-NAVY COORDINATING COMMITTEEPOLITICAL POLICY FOR KOREAReferences: a. SWNCC 176/15
b. SWNCC 176/16
c. SWNCC 176/17Note by the Secretaries

The enclosure, a revision of SWNCC 176/15 in light of the message in SWNCC 176/16 and the amendments proposed by the Army and Navy members in SWNCC 176/17 as approved by the Committee on 28 January 1946, is circulated for information and guidance.

ALEXANDER D. REID

B. L. AUSTIN

RAYMOND E. COX

Secretariat

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E N C L O S U R E

POLITICAL POLICY FOR KOREA

THE PROBLEM

1. To determine a policy for the guidance of General MacArthur in conducting negotiations with the Soviet command in northern Korea regarding the initial powers and functions of the Joint Commission provided for in paragraph 2 of Section III (Korea) of the Moscow Communiqué and regarding the formulation of plans for the creation of a Provisional Korean Government.

FACTS BEARING ON THE PROBLEM

2. See Appendix "A".

DISCUSSION

3. See Appendix "B".

CONCLUSIONS

4. It is concluded that:

a. Arrangements for an early meeting of the Joint Commission, specified in paragraph 2 of the Korean Section of the Moscow Communiqué, will be made with the Soviet Government by the State Department. It is the view of the United States Government that the Joint Commission, in accordance with the Moscow Communiqué, is to be given the following functions:

(1) To formulate plans for the creation of a provisional Korean government, in consultation with Korean democratic parties and social organizations and with a view to the presentation of these plans for the consideration of the Governments of the U.S.S.R., China, the United Kingdom and the United States, prior to

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final decision by the two Governments represented on the Joint Commission, as provided for in paragraph 2 of the section on Korea of the Moscow Communiqué.

(2) To work out measures, with the participation of the provisional Korean Government, for helping and assisting the political, economic and social progress of the Korean people, the development of democratic self-government and the establishment of the national independence of Korea, with a view to the submittance of these measures for the joint consideration of the Governments of the United States, U.S.S.R., United Kingdom and China, as provided for in paragraph 3 of the section on Korea in the Moscow Communiqué. These measures should include plans for a system of government to eliminate zonal arrangements in northern and southern Korea. These plans, depending upon such factors as the ability of the Koreans to organize and operate an efficient centralized administration, may or may not take the form of a trusteeship for a period not to exceed five years from the time of the issuance of the Moscow Communiqué.

(3) To take those steps which it considers desirable and which may not have been taken by the conference provided for in paragraph 4 of the section on Korea in the Moscow Communiqué for establishing permanent coordination of economic-administrative matters between the United States Command in southern Korea and the Soviet Command in northern Korea. It is expected that these steps will lead to the integration of the civil administration of the northern and southern sectors as rapidly as possible under the centralized control of the Joint Commission, which should ultimately be "civilianized".

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b. The United States members of the Joint Commission are to regard the formulation of plans for the creation of a provisional Korean government as their first and most pressing political task. Pending further instructions, they are not to discuss matters coming under paragraph 4 a (2) above. This, however, is not to be construed as limiting in any way the discussion of matters affecting the political, economic and social progress of the Korean people and the development of democratic self-government in so far as they pertain to the formulation of plans for the creation of a provisional Korean democratic government.

c. With a view to facilitating the creation and smooth functioning of a provisional Korean government, the United States Commander in Korea should, without delay, encourage the various Korean political factions to reach fundamental agreements on the political, economic and social policies to be applied by the new government, including essential democratic reforms.

d. The United States members of the Joint Commission are to be given wide latitude in their negotiations with the Soviet representatives regarding the formulation of plans for the creation of a provisional Korean government, but the following points are submitted as an indication of the position favored by the United States Government:

(1) The Joint Commission should select a group of representative democratic Korean leaders for the purpose of consultation with the Joint Commission in its preparation of proposals for the establishment of a provisional Korean government. Such leaders, who should as far as practicable represent the will of the Korean people, should be selected after full consultation with all democratic parties and social organizations throughout Korea. If it is considered feasible and advisable, electoral processes may be utilized in their selection. The persons chosen should be the leaders of all the democratic political

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parties and social organizations which have sufficient political strength and popular backing to warrant representation and also any individual Koreans without party affiliations who have sufficient national prestige to justify their inclusion in the membership of the group. The larger and stronger parties and organizations should have representation proportionate to their political strength and popular support. Special efforts should be made to find and select a definite majority of strong competent leaders who are not extremists of either right or left. Care should be taken that the Korean leaders chosen are true Koreans and not puppets of foreign powers.

(2) If it is not possible for the Joint Commission to reach agreement on the above methods of selection or on the composition of this group of leaders, it should be proposed that the United States and Soviet Commanders in Korea should separately choose the members of the group from their respective zones. In making their choice they should follow the same general principles of selection as are outlined above. In the event of separate selection of the members of the group by the United States and Soviet Commanders, the number of members to be chosen from the two zones should be roughly proportionate to the relative populations of the two zones or at least proportionate to the number of provinces in the two zones.

(3) The Joint Commission should provide a meeting place and quarters for this group of Korean leaders at a place conveniently located with respect to the meeting place of the Joint Commission and should arrange for defrayment of the expenses of the group from funds within Korea.

(4) After the selection of the group of Korean leaders has been completed, the Joint Commission should call upon it to formulate plans, in consultation with

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the Joint Commission, for a provisional Korean government. These plans should be submitted within a reasonable time for the consideration of the Joint Commission. The Joint Commission should then propose these plans, with such modifications as the Commission deems desirable, to the four powers.

(5) The plans for the provisional Korean government proposed by the Joint Commission should be in accord with the following points and principles:

(a) The name should indicate the provisional nature of the government.

(b) The organization of the provisional government should be simple and consonant with its provisional character.

(c) There should be provisions whereby changes can be made in the organization of the provisional government to meet changing needs and new functions and whereby there can be a gradual increase in the use of popular electoral processes for the selection of key officials.

(d) The members of the group of Korean leaders, provided for in 4 d (1) above, or specific individuals in the group, should if possible be used to form the nucleus of the provisional government.

(e) There should be concrete proposals for the initial membership of the provisional government, including the names of the individuals who are to fill the key offices provided for in the plans. The distribution of portfolios in the provisional government should be made in general in conformity with the principles for selecting the group of leaders outlined in 4 d (1) above.

(f) The duties of the provisional government should be:

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(i) Progressively to assume, under the supervision and control of the Joint Commission, responsibility for administering and developing the industry, transport and agriculture of Korea and the national culture of the Korean people, as provided for in paragraph 1 of the section on Korea in the Moscow Communiqué.

(ii) To perform such other administrative duties as are assigned to it by the Joint Commission.

(iii) To participate with the Joint Commission and under its supervision in working out measures for the political, economic and social progress of the Korean people, the development of democratic self-government and the establishment of the national independence of Korea, as provided for in paragraph 3 of the section on Korea in the Moscow Communiqué.

e. If it is impossible for the Joint Commission to reach agreement on the creation of an advisory group of Korean leaders, as provided for in paragraph 4 d (1) or (2) above, the United States Commander in Korea should independently form such a group to act in an advisory capacity to the United States members of the Joint Commission in matters relating to the creation of a provisional Korean government.

f. In view of the possible delays between the completion by the Joint Commission of proposals for a provisional Korean government and the final decision by the United States and the U.S.S.R. on these proposals, the United States members of the Joint Commission should take the position that, subsequent to the submission of the proposals to the four powers and pending the final decision of the United States and the U.S.S.R., the Joint Commission has the power, under paragraph 4 a (3) above, to take whatever preliminary steps it deems

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desirable to facilitate the transfer of administrative duties and functions to Koreans. Such a transfer should be in accordance with the proposals for the provisional government which will have been submitted to the four powers.

g. This government should be kept fully and promptly informed of the progress of the negotiations.

RECOMMENDATIONS

5. It is recommended that:

a. The State-War-Navy Coordinating Committee approve the paper and that on approval it be forwarded to the Joint Chiefs of Staff for transmission to General MacArthur subject to their comments from the military point of view.

b. The Joint Chiefs of Staff transmit the conclusions immediately by radio to General MacArthur for his information and guidance, calling attention to the fact that paragraph 3 of SWNCC 176/13 is superseded by paragraph 4 a of the above conclusions.

c. That the State Department take immediate steps to arrange for an early meeting of the Joint Commission provided for in paragraph 2 of the Korean Section of the Moscow Communique.

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1. Section III (Korea) of the Moscow Communique reads as follows:

"III. Korea. 1. With a view to the reestablishment of Korea as an independent state, the creation of conditions for developing the country on democratic principles and the earliest possible liquidation of the disastrous results of the protracted Japanese domination in Korea, there shall be set up a provisional Korean democratic government which shall take all the necessary steps for developing the industry, transport and agriculture of Korea and the national culture of the Korean people.

"2. In order to assist the formation of a provisional Korean Government and with a view to the preliminary elaboration of the appropriate measures, there shall be established a joint commission consisting of representatives of the United States command in southern Korea and the Soviet command in northern Korea. In preparing their proposals the Commission shall consult with the Korean democratic parties and social organizations. The recommendations worked out by the Commission shall be presented for the consideration of the Governments of the Union of Soviet Socialist Republics, China, the United Kingdom and the United States prior to final decision by the two Governments represented on the Joint Commission.

"3. It shall be the task of the Joint Commission, with the participation of the Provisional Korean Democratic Government and of the Korean democratic organizations to work out measures also for helping and assisting (trusteeship) the political, economic and social progress of the Korean people, the development of democratic self-government and the establishment of the national independence of Korea.

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"The proposals of the Joint Commission shall be submitted, following consultations with the provisional Korean Government for the joint consideration of the Governments of the United States, Union of Soviet Socialist Republics, United Kingdom and China for the working out of an agreement concerning a four-power trusteeship of Korea for a period of up to five years.

"4. For the consideration of urgent problems affecting both southern and northern Korea and for the elaboration of measures establishing permanent coordination in administrative-economic matters between the United States Command in southern Korea and the Soviet Command in northern Korea, a conference of the representatives of the United States and Soviet commands in Korea shall be convened within a period of two weeks."

2. Mr. Byrnes in his radio address on 30 December 1945 commented on the Korean Section of the Moscow Communiqué as follows:

"The administration of Korea has been a trying problem since the surrender of Japan. For the purposes of military operations the occupation of Korea was divided north and south of Latitude 38 into Soviet and American areas. The continuation of this division after surrender has been unsatisfactory. The movement of persons and goods and the functioning of public services on a nationwide scale has been hampered.

"Under our agreement at Moscow, the two military commands are to form a Joint Soviet-American commission to solve immediate economic and administrative problems. They will make recommendations to the Governments of the United States, the Soviet Union, Great Britain and China for the formulation of a Korean Provisional Democratic Government.

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They will also make proposals to these Governments regarding a four-power trusteeship to prepare Korea for its independence within five years.

"The Joint Soviet-American commission, working with the Korean Provisional Democratic Government, may find it possible to dispense with a trusteeship. It is our goal to hasten the day when Korea will become an independent member of the Society of Nations."

3. The Directive to General MacArthur, given as Appendix "A" of SWNCC 176/13 and approved on 3 January 1946, provides for negotiations with the Soviet command in northern Korea on economic-administrative matters but postpones the discussion of political matters pending further instructions. It concludes as follows:

"3. In connection with paragraphs 2 and 3 of the Korean section of the Moscow Communique, you will arrange for an early meeting of the Joint United States-Soviet Commission. You will receive from SWNCC, through the Joint Chiefs of Staff, early political guidance for meetings of the Joint Commission."

4. Message (CM-IN 4881, 22 Jan) has been received from General Hodge, pertinent section of which is quoted below:

"Finally, I suggest that the political meeting be convened as a result of inter-governmental communications rather than on my own initiative. Such approach would, I feel, give the proceedings greater dignity and demonstrate to the Russians the importance we attach to our Korean and other Far Eastern commitments."

5. An interim reply (CM-OUT 94286, 23 Jan) was sent to General Hodge as follows:

"Message has been submitted to SWNCC by JCS. Since State, War and Navy Departments already concur informally

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In your recommendations, you may defer action on paragraph 3 of WARX 91640 (SWNCC 176/13). State Department this date referred to SWNCC for approval complete draft political directive for US members of Joint Commission."

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1. Paragraphs 2 and 3 of the section on Korea in the Moscow Communique make clear what the political planning duties of the Joint Commission are to be. It is assumed from the Communique that the Joint Commission will also continue the work of the conference, referred to in paragraph 4, looking toward the establishment of permanent coordination in administrative -economic matters between the United States Command in southern Korea and the Soviet Command in northern Korea. It would be highly desirable to have this permanent coordination take the form of complete integration as rapidly as possible of the civil administration of the northern and southern sectors of Korea under the centralized control of the Joint Commission. It is envisaged that changing conditions will eventually make the "civilianizing" of the Joint Commission advisable.

2. The early creation of a provisional Korean government is extremely desirable, because under the terms of the Moscow Communique, no great progress toward the complete elimination of military government in Korea and the permanent solution of Korea's political problems can be made until a provisional Korean government has been created and has had a chance to participate in the formulation of plans for the future of Korea. The early establishment of such a government is also desirable in order to lead Korean political activity away from destructive criticism and into more constructive channels, in order to give Korean leaders practical experience in the problems of government, and in order to facilitate and hasten the growth of a truly responsible and representative democratic government in Korea which can eventually take full responsibility for the administration of the country. For these reasons it is clear that the Joint Commission should regard the formulation of plans for the creation of a provisional Korean government as its first and most pressing political task.

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3. The creation and subsequent smooth functioning of a provisional Korean government would be greatly facilitated if there were more unity and agreement among the various Korean political parties and factions. In particular, discussions between the United States and Soviet members of the Joint Commission would be made considerably easier if the attitude of the Koreans toward many basic problems were to be clarified by agreement among the leading political parties. It would, therefore, be desirable for the United States Commander in Korea without delay to encourage the various Korean political factions to adopt a uniform program for the political, economic and social policies to be applied by the new government, including essential democratic reforms.

4. Paragraph 2 of the section on Korea in the Moscow Communiqué provides for consultation with the Korean democratic parties and social organizations regarding proposals for the creation of a provisional Korean government. It is believed that this can be done most effectively through a group of Korean leaders which will be fully representative of all Korean democratic parties and social organizations. This group should include the leaders of all democratic parties and factions which have sufficient political strength and popular support to warrant representation. The larger and stronger parties should have representation proportionate to their political strength and popular backing. In order to be fully representative of the Korean people as a whole, the group should also include any individual democratic Koreans without party affiliations who have sufficient national prestige to justify their inclusion. If it is considered feasible and desirable, electoral processes might be utilized in selecting the members of the group, but elections should be undertaken only if there is good reason to believe that they will result in the selection of a truly competent and representative group. Such elections might be held within individual parties and organizations or within separate localities or provinces.

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5. Since there is not always agreement as to the meaning of the word democratic, it would be best to adopt the principle that any Korean party, organization or individual regarded as democratic by either the United States or Soviet members of the Joint Commission should be accepted by both sides as being democratic and only those parties, organizations and individuals considered to be non-democratic by both the United States and Soviet members should be excluded on that score from participation in the group of Korean leaders.

6. The group of Korean leaders should be both representative of the views and aspirations of the Korean people as a whole and also of such political composition as to be acceptable to both the United States and the U.S.S.R. It is felt that no group dominated by totalitarian leftists, such as the Communists, or by rightist elements, representative of capitalistic and land-lord interests, would be representative of the Korean people as a whole or mutually acceptable to the United States and the U.S.S.R. These two provisions would be best met by a group in which center and left of center parties had a definite majority, and it is therefore felt that special efforts should be made to find and select for the group a definite majority of leaders who are not extremists of either right or left. In this connection, great care should be taken to insure that the leaders chosen are not only strong and competent men but also are true Koreans and not merely puppets of foreign powers. They should not be men little known within Korea but should be men generally regarded by the Koreans themselves as competent and representative of the Koreans living within Korea.

7. The most satisfactory method of choice of this group of Korean leaders would be by the Joint Commission as a whole. If it is not possible for the Joint Commission to reach agreement on the composition of the group, it is felt that the best solution would be for the United States and Soviet Commanders in Korea to choose separately the members of the group from their respective zones.

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If this method of selection is used, it would be desirable to have the number of members selected by each Commander proportionate to the relative populations of the two zones. However, this might meet with strong objections from the Soviet members of the Commission, for it would permit the United States Commander to choose at least two-thirds of the total membership. An alternative formula might be that the number of members to be selected by each Commander should be proportionate to the number of provinces in each zone. There are 7-1/2 provinces in the United States zone and 5-1/2 in the Soviet zone.

8. It would be advisable for the Joint Commission to call upon the group of Korean leaders to draw up the initial draft of the proposals for a provisional Korean government. This would give the Korean leaders the realization that they are having an important voice in the creation of their provisional government and would greatly increase the probabilities of wholehearted acceptance of and support for the proposals on the part of the Korean people as well as their leaders. It would also relieve the Joint Commission of responsibility for the elaboration of many minor details of organization, nomenclature and procedure, which are, for the most part, matters of indifference to the United States, and would place the responsibility for drawing up these details on the Koreans themselves. Since the proposals must meet with the approval of the United States and Soviet Governments, it would be advisable for the group of Korean leaders to keep in constant consultation with the Joint Commission on all major problems. This should facilitate consideration and emendation of the proposals by the Joint Commission before it submits them to the four powers. If the group of Korean leaders cannot within a reasonable period of time agree upon their proposals for a provisional Korean government, the Joint Commission may be forced to proceed with the formulation of its proposals independently of the group of Korean leaders.

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9. Since the initial draft of the proposal for a provisional Korean government by the group of Korean leaders should be completed as soon as possible, the group should be given no other duties by the Joint Commission. The Joint Commission naturally should provide the group with a meeting place and quarters at a place conveniently located with respect to the meeting place of the Joint Commission and should arrange for defrayment of the expenses of the groups from funds within Korea, but, since the group is not specifically provided for in the Moscow Communiqué and will be merely an advisory body created by the Joint Commission, it should be given no other official recognition.

10. The provisional Korean government should be, as the name implies, only a provisional government and should exist only during a transitional period. It is believed, therefore, that it will not require a complex constitution or an elaborate organization. Its organization should be as simple as possible and so constituted as to be fully consonant with its actual duties and its provisional character. In other words, the proposals for the provisional Korean government should not include detailed plans for offices and organs of government which, because of the limited duties and powers of the government, would be without actual functions, or would be difficult to organize and operate during the transitional period.

11. The possibility is envisaged that, during the life of the provisional government, there will be a steady expansion of its functions and powers. Consequently, there should be provisions whereby changes can be made in the organization of the provisional government to meet changing needs and new functions. Since the provisional Korean government as originally constituted will probably be made up of men who have not been selected for their posts by any system of popular elections, special care should be taken to include provisions whereby there can be, if conditions permit, a gradual increase in the use of popular electoral processes for the selection of key officials.

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12. The selection of key officers of the provisional Korean government by national elections is desirable in principle, but it is felt that the lack of adequate machinery for national elections and the desirability of wide representation in the new government in the initial period make the inclusion of provisions for immediate national elections of key officers inadvisable. Since the group of Korean leaders discussed in previous paragraphs will be made up of strong, competent and truly representative Korean leaders and will be so constituted as to be politically acceptable to both the United States and the U.S.S.R., the best and most practical means of selecting the original key officers of the new government would seem to be for this group of Korean leaders to choose them, subject to the approval of the Joint Commission. It is envisaged that members of the group, or specific individuals from the group, will probably form the nucleus of the provisional government. If this were the case, it would greatly facilitate the creation of the new government, for it would eliminate the necessity for long negotiations between the United States and Soviet members of the Commission and protracted consultations with the Koreans to arrive at a new panel of leaders who are acceptable to both the United States and the U.S.S.R. and who are truly representative of the Koreans.

13. It is felt that proposals for the provisional Korean government should include the names of the individuals who are initially to fill the key offices provided for in the proposals. This would permit the four powers to see clearly the true nature of the proposed government and would help insure the formation of a government which is not dominated by some minority faction. In this connection, care should be taken to insure that the portfolios in the provisional government are in general assigned in conformity with the principles for the selection of the group of Korean leaders, as outlined in paragraph 6 above. This would give a preponderant voice in the new government to those elements, defined in paragraph 6 as not being extremists of either right or left, which are felt to be not only the most acceptable to both the United States and the U.S.S.R. but also most representative of the Korean people as a whole.

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14. The proposed administrative and political planning duties of the provisional Korean government are clearly stated in paragraphs 1 and 3 of the section on Korea in the Moscow Communiqué. In order to give flexibility to the plan and to provide for growth in the functions and powers of the provisional government, it would be desirable to have it specified that the provisional Korean government may also perform any other administrative duty assigned it by the Joint Commission. It would also be advisable to have it clearly stated that the provisional Korean government performs all its functions and duties either under the supervision or else under the direct control of the Joint Commission.

15. It is possible that the Soviet members of the Joint Commission will not be willing to create an advisory group of Korean leaders. In that case, it would be desirable for the United States Commander in Korea independently to select such a group to act in an advisory capacity to the United States members of the Joint Commission in matters relating to the creation of a provisional Korean government. Great care should be taken to insure that such a group is preponderantly liberal and is not open to the charge of being reactionary or fascistic. Constant consultation with such a group of competent and truly representative Korean leaders would strengthen the position of the United States members of the Commission in their negotiations with their Soviet colleagues and would greatly aid them in their planning by giving them a clearer idea of the real views and aspirations of the Korean people.

16. In view of the possible delays between the completion by the Joint Commission of proposals for a provisional Korean government and the final decision by the United States and the U.S.S.R. on these proposals, it would be desirable for the Joint Commission, subsequent to the submission of the proposals to the four powers and pending the final decision of the United States and the U.S.S.R. to take whatever preliminary steps it deems desirable to facilitate the transfer of administrative duties and functions to Koreans, as

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provided for in the proposals. It is felt that these steps would not prejudice the final decision on the proposals, for they could be justified as measures for establishing permanent coordination of administrative-economic matters in Korea, as provided for in paragraph 4 of the section on Korea in the Moscow Communique. It is assumed that the final plans for the creation of a provisional Korean government will not differ greatly from the original proposals of the Joint Commission, and, consequently, whatever preliminary steps the Joint Commission takes in order to facilitate the transfer of administrative duties and functions to Koreans, as provided for in the proposals, will directly aid in the early creation of an efficiently operating provisional Korean government.

TOP SECRETTOP SECRETCOPY NO. 50SWNCC 176/813 October 1945Pages 42 - 68, incl.STATE-WAR-NAVY COORDINATING COMMITTEEBASIC INITIAL DIRECTIVE FOR CIVIL AFFAIRS IN KOREAReferences: a. SWNCC 176/3.
b. SWNCC 176/6.
c. JCS 1483/5.Note by the Secretaries

1. The enclosure, a revision and consolidation of references a and b as approved by the State-War-Navy Coordinating Committee at their twenty-seventh meeting and agreed upon by the Joint Chiefs of Staff, is circulated for information and guidance.

2. The Joint Chiefs of Staff have been requested to forward this directive to the Commander in Chief, U.S. Army Forces in the Pacific, for guidance.

CHARLES W. McCARTHY

ALVIN F. RICHARDSON

RAYMOND E. COX

Secretariat

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TOP SECRETE N C L O S U R EBASIC INITIAL DIRECTIVE TO THE
COMMANDER IN CHIEF, U.S. ARMY FORCES, PACIFIC,
FOR THE ADMINISTRATION OF CIVIL AFFAIRS IN
THOSE AREAS OF KOREA OCCUPIED BY U.S. FORCES1. The Purpose and Scope of This Directive.

a. This directive defines the authority which you will possess and the policies which will guide you in the administration of civil affairs in Korea in the initial period after Japanese surrender prior to the establishment of a trusteeship.

b. Korea, as used in this directive, is defined as those areas of Korea occupied by U.S. forces.

c. This directive is divided into Part I: General and Political; Part II: Economic and Civilian Supply; and Part III: Financial.

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PART I

GENERAL AND POLITICAL

2. The Basis and Scope of Military Authority.

a. By virtue of your military occupation of Korea, you are vested with the conventional powers of a military occupant of enemy territory. In addition, and in order to effectuate the Surrender Instrument executed by command of the Emperor of Japan, the Cairo Declaration and the Potsdam Declaration you are authorized to exercise all power necessary to give effect to those instruments.

b. In conformity with the provisions of the Cairo Declaration your administration of civil affairs will be based upon the treatment of Korea as a liberated country to the maximum extent consistent with the security of your forces. In order to effect the greatest possible economy of military personnel you will utilize Koreans in governmental positions as far as possible. You may also utilize Japanese in accordance with paragraph 5 f below. You will also take such steps as are necessary on a military level to effectuate liaison with the Russians. In all your activities you will bear in mind the policy of the United States in regard to Korea, which contemplates a progressive development from this initial interim period of civil affairs administration by the United States and the U.S.S.R., to a period of trusteeship under the United States, the United Kingdom, China, and the U.S.S.R., and finally to the eventual independence of Korea with membership in the United Nations organization. In the exercise of your powers you will be guided by the following general principles.

3. Basic Objectives of Military Occupation of Korea.

a. The ultimate objective of the United States with respect to Korea is to foster conditions which will bring

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about the establishment of a free and independent nation capable of taking her place as a responsible and peaceful member of the family of nations. The achievement of this objective will require the progressive elimination of all vestiges of Japanese control over Korean economic and political life and the eventual substitution of independent Korean governmental, economic and social institutions.

b. As Commander in Chief, U.S. Army Forces, Pacific, you are charged with responsibility for assuring that the Japanese surrender terms are vigorously enforced in Korea and for initiating appropriate action to achieve the objectives of the United States.

c. You will make it clear to the Korean population that your administration of civil affairs in Korea is intended principally:

- (1) To insure compliance with the surrender by the Japanese armed forces in Korea;
- (2) To effect a complete political and administrative separation of Korea from Japan and to free Korea from Japanese social, economic and financial control;
- (3) To facilitate the development of a sound Korean economy devoted to peaceful pursuits; and
- (4) To foster the establishment of local self-government and the restoration of a free and independent nation which will conform with the principles expressed in the Charter of the United Nations.

4. The Establishment of Civil Affairs Administration in Korea.

a. Upon occupation you will take prompt action to assure the restoration and maintenance of law and order.

b. You will insure immediate compliance with all orders for carrying out the surrender issued by the Emperor and the Japanese Imperial General Headquarters to the Japanese armed forces and to the armed forces under Japanese

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control in Korea. In this connection you will issue such further orders as may be required.

c. Local, regional and national agencies of governmental administration will be fully utilized after elimination of those whose functions and responsibilities are inconsistent with the purposes of the occupation and after the removal of all Japanese officials, subject to exceptions permitted in paragraph 5 f below. The remaining agencies and their personnel will be given maximum responsibility for the administration of government and will be charged with the execution of your policies and directives. At all times, however, and in all circumstances you are empowered yourself to take direct action where required to carry out your objectives.

d. You will establish liaison with the Russians and seek through that liaison to achieve the maximum uniformity of procedures and policies in the control of Korea, consistent with the purposes of this directive.

5. Political and Administrative Reorganization.

a. So far as practicable, you will continue the substantive and procedural law existing in Korea at the commencement of your occupation. You will abrogate all laws, ordinances, decrees and regulations which would jeopardize the achievement of the objectives set forth in this directive. You will, in particular, assure the abrogation of all laws, orders and regulations which established and maintained restrictions on political and civil liberties on grounds of race, nationality, creed or political opinion. Agencies charged specifically with the execution of legislation abrogated or to be abrogated shall be abolished.

b. Ordinary criminal and civil courts in Korea will be permitted to continue to function subject to such regulations, supervision and control as you may determine. As

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rapidly as possible, Japanese judges, other Japanese court personnel and Koreans who collaborated with the former, will be removed. Such officials will be replaced with acceptable and qualified successors. Full power of review will be retained by you over all courts which are allowed to function. You will veto all decisions which are inconsistent with the purposes of your mission. You will take all practicable measures to cause the release of persons held in custody solely under laws or regulations of the type to be abrogated under paragraph 5 a above.

c. You will establish such military courts as may be necessary with jurisdiction over offenses against the forces under your command and over such other acts as you may declare to be offenses against your military occupation and the implementation of the surrender. You will, however, except as otherwise deemed necessary by you, assure that Korean courts exercise an effective jurisdiction over cases not of direct or predominant concern to your military occupation.

d. Criminal and ordinary police agencies, and such others as you may consider proper to be retained under appropriate supervision, will be progressively purged of undependable and undesirable elements, and in particular, of Japanese and Koreans who collaborated with the Japanese.

e. Throughout Korea you will assure the dissolution of all elements of the Political Association of Great Japan, the Imperial Rule Assistance Association (Taisei Yokusankai), the Imperial Rule Assistance Political Society (Taisei Seijikai), their branches, affiliates and agencies or any successor organizations, and all Japanese ultra-nationalistic, terroristic and secret patriotic societies and their branches, agencies and affiliates.

f. Only in exceptional circumstances as determined by you will any Japanese be allowed to hold any position of

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responsibility or influence in public or important private enterprise, nor will any Korean who has been an exponent of militant Japanese nationalism and aggression, who has been an influential member of any Japanese ultra-nationalistic, terroristic or secret patriotic societies, their branches, agencies or affiliates, who has been influential in the activities of the other organizations enumerated in paragraph 5 e above, or who manifests hostility to the objectives of the military occupation, be permitted to hold any office as above. Providing security factors permit, and to the extent that qualified Koreans or other suitable personnel are not available, you may temporarily make use of such Japanese and Koreans who have collaborated with the Japanese as are deemed essential by reason of their technical qualifications. You will make every effort to ensure the recruiting and training of suitable Korean replacements for such last-named personnel at the earliest possible moment. Should use be made of Japanese or non-desirable Koreans as above, care will be taken that the Korean population are informed that such use is temporary.

g. You will provide your forces with information concerning the customs of the Korean people and you will enforce such control over the association of your forces with the Koreans and Japanese as you deem necessary to avoid friction, misunderstanding and undesirable incidents. Your officers and troops should so treat the Korean population as to develop confidence in the United States and the United Nations and their representatives.

h. Representatives of civilian agencies of the U.S. Government or of other United Nations Governments shall not participate or function within Korea except upon your approval, and subject as to purpose, time and extent, to decisions communicated to you by the Joint Chiefs of Staff.

TOP SECRET6. Demilitarization.

a. You will assure that all units of the Japanese armed forces in Korea, including the Gendarmerie (Kempei) (but not the civil police), civilian volunteer corps and para-military organizations, are promptly disarmed. Personnel of such units will not be treated as prisoners-of-war, but as disarmed units under their own officers being held for demobilization in accordance with directives issued or to be issued to you.

b. All elements of military and para-military organizations of Japanese origin found in Korea together with all associations which might serve to keep alive the military tradition of Japan in Korea will be permanently dissolved. You may, however, for a brief period of time, utilize military and naval agencies for the limited purpose of giving effect to the surrender.

c. In accordance with Section IV, SWNCC 58/5 (Annex to Appendix "B" to J.C.S. 1328 as amended by J.C.S. 1328/1), you will seize or destroy all arms, ammunition, naval vessels and implements of war, including military aircraft and aircraft designed for civil use, and stop the production thereof, except that naval combatant and auxiliary vessels and craft of all kinds, both surface and submarine, including those under repair, alteration or construction will not be destroyed or scrapped pending further instructions from the Joint Chiefs of Staff.

7. Arrest and Internment.

a. Any of the following found in Korea will be arrested and held as suspected war criminals pending further instructions concerning their disposition:

(1) All members of the Japanese Supreme Military Council, the Board of Field Marshals and Fleet Admirals, the Imperial General Headquarters, and the Army and Navy General Staffs;

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(2) All commissioned officers of the Gendarmerie (Kempei) and all officers of the Japanese Army and Navy who have been important exponents of militant nationalism and aggression;

(3) All key members of Japanese ultra-nationalistic, terroristic, and secret patriotic societies; and

(4) All persons who you have reason to believe are war criminals or whose names or descriptions are contained in lists of suspected war criminals which have been or may be furnished to you.

b. All persons, regardless of nationality, who have played an active and dominant governmental, economic, financial or other significant part in the formulation or execution of Japan's program of aggression and all high officials of the Political Association of Great Japan, the Imperial Rule Assistance Association, the Imperial Rule Assistance Political Society, and their agencies and affiliates or successor organizations will be interned pending further disposition. You may intern other civilians as necessary for the achievement of your mission.

c. You may, however, for a brief period of time utilize the closely supervised services of the Japanese arrested or interned as above who are absolutely required by you to expedite the demobilization of the Japanese armed forces.

d. You will receive further instructions concerning your responsibility with relation to war criminals, including those who have committed crimes against peace and crimes against humanity.

e. No differentiation shall be made or special consideration be accorded to civilian or military personnel arrested as war criminals either as to manner of arrest or conditions of detention, upon the basis of wealth of political, industrial, or other rank or position.

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f. All nationals of countries except Japan with which any of the United Nations are or have been at war in World War II (Bulgaria, Finland, Germany, Hungary, Italy, Roumania and Thailand) will be identified and registered and may be interned or their activities curtailed as may be necessary under the circumstances. Diplomatic and consular officials of such countries will be taken into protective custody and held for further disposition.

g. Property, real and personal, owned or controlled by persons who have been detained or arrested under the provisions of paragraph 7 will be taken under your control pending directions as to its eventual disposition.

8. Prisoners of War, United Nations Nationals, Neutrals, and Other Persons.

a. You will insure that prisoners of war of the United Nations are cared for and repatriated.

b. Nationals of neutral countries will be required to register with the appropriate military authorities. They may be repatriated under such regulations as you may establish. However, all nationals of neutral nations who have actively participated in any way in the war against one of the United Nations will be arrested for disposition in conformity with later instructions. Neutral nationals will be accorded no special privileges of communications or business relationships with their home countries or people resident outside Korea. The persons, archives and property of consular officials of neutrals will be accorded full protection.

c. All civilians who are nationals of the United Nations, resident or interned in Korea will be identified, examined closely, and, if you deem it advisable, may be placed in custody or restricted residence. All such nationals who fall within the provisions of paragraph 7 b above shall be arrested and held as suspected war criminals. All other

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United Nations nationals who have actively participated in any way in the war against one or more of the United Nations will be arrested and held for later disposition. Thereafter, they will be dealt with in accordance with instructions to be furnished you. In general, practical measures will be taken to insure the health and welfare of United Nations nationals and to facilitate their prompt repatriation if they so desire.

d. Within such limits as are imposed by the military situation, you should take all reasonable steps necessary to preserve and protect the property of the United Nations and their nationals.

e. Formosan-Chinese technically may be considered Japanese subjects and may, if necessary, be treated by you as enemy nationals. However, they are not included in the term "Japanese" as used in this directive. In so far as military security permits, you will treat them as liberated people. Formosan-Chinese may be repatriated if they so desire under such regulations as you may establish. However, priority will be given to the repatriation of nationals of the United Nations.

f. Civilian Japanese may be allowed to continue their normal activities consistent with the objectives of the military occupation. Steps will be taken to prevent disorders due to any anti-Japanese feeling of the Korean people. If necessary, you may segregate Japanese for their protection.

9. Political Activity.

a. The dissemination of Japanese militaristic, National Shintoistic and ultra-nationalistic Japanese ideology and propaganda in any form, especially that which urges continued Japanese control of Korea, will be prohibited and completely suppressed.

b. You will establish such minimum control and censorship of civilian communications including the mails, wireless,

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radio, telephone, telegraph and cables, films and press as may be necessary in the interests of military security and the accomplishment of the purposes set forth in this directive. Subject to such controls you will facilitate and encourage the distribution of news and information, both domestic and foreign through all channels and media. All available media of public information will be utilized for the guidance of the Korean people in the attainment of the objectives set forth in paragraph 3 a through the dissemination of democratic ideals and principles.

c. You will immediately place under control all existing political parties, organizations and societies. Those whose activities are consistent with the requirements of the military occupation and its objectives should be encouraged. Those whose activities are inconsistent with such requirements and objectives should be abolished. Subject to the necessity of maintaining the security of the occupying forces, the formation and activities of democratic political parties with rights of assembly and public discussion will be encouraged.

d. Encouragement will be given to the development of democratic organizations in labor, industry and agriculture.

e. Freedom of religious worship shall be proclaimed promptly.

f. To the extent that the security of your military occupation and the attainment of its objectives are not prejudiced and, subject to subparagraphs a, b and c above, you will insure freedom of opinion, speech, press, and assembly.

g. You will not extend official recognition to, nor utilize for political purposes, any self-styled Korean provisional government or similar political organizations, although you will permit the existence, organization and activity of such groups subject to the provisions of paragraph 9 c above. You will utilize the services of members

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of such organizations as individuals when desirable without commitment as to the organizations.

10. Education, Arts and Archives.

a. Educational institutions will be permitted to continue or to reopen as soon as possible. As rapidly as possible, all teachers who have been exponents of Japanese militant nationalism and aggression and those who continue actively to oppose the purposes of the military occupation will be removed and replaced by acceptable and qualified Korean successors. To the extent practicable in view of the limited period covered by this directive, you will assure that curricula acceptable to you are employed in all schools and that Japanese influences are eliminated therefrom.

b. You should cause to be preserved for information and use the records of all governmental and quasi-governmental, important Japanese or Japanese controlled, private, financial, industrial, manufacturing and business concerns, and the Japanese organizations referred to in paragraph 5 e above.

c. You will, so far as practicable, cause to be protected and preserved, all historical, cultural and religious objects, against depredations by the occupational forces, or others.

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a. Such controls will be imposed with respect to Korean economic activities including essential public services, financial, banking, exports, imports, and production and distribution of essential commodities, as may be necessary for the following purposes:

(1) To meet the needs of the occupying forces;

(2) To maximize production of all normal surplus items of foods and of goods important to the Korean economy.

(3) To eliminate all vestiges of Japanese control over Korean economic life;

(4) To foster conditions that will separate Korea from economic dependence upon Japan.

b. Subject to your control, participation of Korea in world trade relations will be encouraged.

12. You will utilize local, regional, and national agencies of governmental administration after elimination of those whose functions and responsibilities are inconsistent with the purposes of the occupation and after the removal of all Japanese officials subject to exceptions permitted in Part I, paragraph 5 f above, for the execution of the economic measures required by your directive. At all times, however, and in all circumstances you are empowered yourself to take direct action where required to carry out your objectives.

13. Reports and Surveys.

a. You will institute or assure the maintenance of such statistical records and reports as may be necessary in the

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carrying out of your objectives or meeting the needs of your military government.

b. You will undertake appropriate surveys as may assist you to achieve the objectives of paragraph 14 a and 20 of this directive. Reports based on these surveys will specify condition and capacity of plant and equipment, and the extent of stocks of raw materials, finished goods and goods in process. You will communicate to this government through the Joint Chiefs of Staff the results of such surveys.

14. Armament Production.

Pending receipt of a further directive you will

a. Suspend the production, acquisition, development, maintenance or use of all arms, ammunitions and other implements of war, naval vessels, and all types of aircraft, including those designed for civilian use, and all parts, components, and materials especially designed for incorporation therein.

b. Seize and safeguard all facilities used or intended for use in the production of any items covered in this paragraph, pending receipt of further instructions.

c. Permit the production of items enumerated in this paragraph to the minimum extent necessary to meet the requirements of the occupying forces.

15. In order to accomplish the objective specified in paragraph 11 a (2), you will encourage the conversion of facilities mentioned in paragraph 14 a, for the production of consumer goods.

16. Agriculture, Industry and Internal Commerce.

You will immediately establish liaison with the Commander in Chief of Soviet Forces in the Far East, in order to maintain to the maximum extent the normal flow of goods and the normal operation of transportation and communications between the United States and Russian-occupied zones of Korea.

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17. You will use all means at your disposal to maximize the production of foodstuffs (including reactivation of the fishing industry), fuel and other essential goods and to continue or establish as rapidly as possible effective rationing and other machinery for the collection and distribution thereof. You will insure to the maximum possible extent the equitable distribution of goods and services throughout the area of your occupation.

18. You will accomplish emergency repair and construction for the restoration of transportation, communications services, and public utilities essential to meet the objectives and needs of the occupying forces.

19. You will exercise such controls as may be practicable to prevent or restrain inflation of a character or dimension which would endanger the accomplishment of the objectives of your occupation as outlined in paragraph 11 a. You will, in particular, maintain or establish controls of prices and wages and take the fiscal and financial and other measures appropriate to this end.

20. You will protect and maintain for such disposition as is determined by this and other directives, all plants, equipment, patents, books and records, and other significant property of large Japanese industrial and financial companies and trade and research associations, making report of action taken to the Joint Chiefs of Staff.

21. a. You will insure that all laboratories, research institutes, and similar technological organizations are closed immediately except those you deem necessary to the purposes of the occupation. You will provide for the maintenance and security of physical facilities thereof when deemed necessary, and for the detention of such personnel as are of interest to your technological or counter-intelligence investigations. You will at once

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investigate the character of the study and research conducted in such closed organizations and as rapidly as possible permit the resumption of those forms of study and research that have an obviously peaceful purpose under appropriate regulations which (1) define the specific type of research permitted, (2) provide for frequent inspection, (3) require free disclosure to you of the results of the research, and (4) impose severe penalties, including permanent closure of the offending institution whenever the regulations are violated.

b. All facilities for research on atomic energy or related matters shall be seized and all persons engaged in such research taken into custody. Prompt report will be made to the Joint Chiefs of Staff with full information regarding the action taken and the results thereof. No research activities on atomic energy or related matters shall be permitted in Korea.

22. Public Health.

You will encourage the Koreans to develop as high a level of public health as is possible within means at their disposal. To this end you will furnish such technical advice and other assistance as is available consistent with the provisions of paragraph 25 c below.

23. International Economic Transactions.

Using the existing governmental machinery to the maximum extent consistent with paragraph 12 above, you will establish control over all Korean trade in goods and services with foreign countries and will take steps to insure that:

a. Persons, corporations and organizations in Korea will be permitted to acquire foreign assets only by our specific approval.

b. No firm in Korea will participate in international cartels or other restrictive international contracts or

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arrangements and all existing Korean participation in such cartels, contracts or arrangements will be promptly terminated.

24. Restitution.

You will take all steps practicable to require full and prompt restitution of all identifiable looted property.

B. CIVILIAN SUPPLY AND RELIEF

25. Civilian Supply Policy and Standard of Provision.

a. You will assure that all practicable economic and police measures are taken to achieve the maximum utilization of essential Korean resources in order to limit U.S. responsibility for imports into Korea. Such measures will include production and price controls, rationing, control of black markets, fiscal and financial controls and other measures directed toward full employment of resources, facilities and means available in Korea.

b. To the extent that goods may be available in areas occupied by you in quantities surplus to the needs of the whole of Korea, such surpluses will be made available in the first instance, to meet United States military requirements in Pacific Ocean and Asiatic areas.

c. You will initially be responsible for providing imported supplies only to supplement local resources and only to the extent that supplementation is needed to prevent such serious disease and widespread unrest as would endanger the occupying forces or interfere with military operations. Such imports will be confined to minimum quantities of food, fuel, medical and sanitary supplies and other essential items, including those which will enable local production of such supplies which you would otherwise have to import.

d. If importation of supplies for which you are responsible is necessary, you will utilize to the fullest extent possible

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surpluses from other areas. To the extent that such surpluses are available in areas under the jurisdiction of other United States commanders, arrangements may be made by you directly with such other commanders. To the extent that such surpluses are available in areas under the jurisdiction of governments other than the United States, or the military commanders of such governments, negotiations necessary to obtain such surpluses will be conducted by or with approval of local United States diplomatic representatives in the areas in question. In the event such diplomatic representatives are not available, you will report the situation, with your recommendations to the Joint Chiefs of Staff.

e. If you deem that, in order to prevent serious disease or widespread unrest or to attain the objectives of your occupation, you should assume responsibility for additional imports, you will submit your recommendations to the Joint Chiefs of Staff accompanied by statements of requirements.

26. Methods and Conditions of Distribution.

You will take all practicable steps to assure the fair and equitable distribution of supplies under uniform ration scales.

27. Imported supplies for the civilian population should, in so far as practicable and desirable and consistent with military expediency, be delivered to such Korean public supply agencies or other consignees as are acceptable to you and under your direct supervision or control. Whenever possible, such deliveries will be at ports of entry, but if necessary, deliveries may take place at appropriate inland centers of distribution.

28. You may make sales directly to wholesalers or other commercial dealers in the event that no satisfactory public supply agency exists or that operational or other reasons render

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distribution of civilian supplies through such an agency impracticable. In order to limit direct provision and distribution of supplies by you to the civilian population, you will involve the occupying forces in such responsibility to the minimum extent possible. Such direct sales by you as are necessary will be paid for by the purchaser in local currency at prices determined by you to be consistent with the internal economy.

29. Supplies delivered to supply agencies or other consignees will be sold by them through distribution channels and in accordance with distribution policies satisfactory to you and at prices determined by you to be consistent with the internal economy. When military necessity requires, civilian supplies may be made the subject of direct relief issue by you or by supply agencies under your supervision or control.

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PART III

FINANCIAL

30. In the administration of financial matters, you will follow the principle that, to the maximum extent possible, without jeopardizing the successful execution of measures required to implement the objectives of the occupation, Korean personnel, authorities and agencies should be used, and if necessary, new Korean agencies should be established, subject to such supervision as is necessary to insure that they carry out their task. For this purpose appropriate authority should be given to Korean agencies and administrative services, subject to strict observance of the provisions of this directive regarding the removal and exclusion from positions of responsibility or influence of all Japanese, pro-Japanese Koreans and other pro-Japanese elements. You may establish administrative machinery not dependent upon the Korean authorities and agencies to the extent necessary to execute or assure the effective execution of the policies and programs in this directive.

31. a. You should, in cooperation with your military government administration in Japan, take steps necessary to sever all managerial and other organizational connections of banks, including postal banking offices, and all other financial institutions located in Korea with banks and business enterprises or persons located in Japan.

b. You should remove and exclude from positions of responsibility or influence in all public and private financial institutions, agencies or organizations all Japanese, pro-Japanese Koreans and other pro-Japanese elements and all persons who have actively participated in the organizations enumerated in paragraph 38 b (1) below. It may be generally assumed in absence of evidence to the contrary that any persons who have held key positions in any such institutions, agencies or organizations are pro-Japanese.