

GENERAL HEADQUARTERS, FAR EAST COMMAND
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

San Whitney
CWH
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CWH

INCOMING MESSAGE

Confidential
PRIORITY

27 Feb 48 *File Co*

FROM : CSCAD ECON
TO : CINCFE
NR : WAR 96552

It has not been possible to secure adoption in FEC of revised policy on restitution of looted property. Since agreement in principle has been secured among US and 9 other FEC countries, US Govt is considering issuance of fol interim directive to effect to large degree purposes of proposed FEC policy.

Proposed directive read as follows:

"1. The instructions here below are addition to and do not derogate fr the full force and effect of FEC 011/12.

"2. The SCAP should accord the same treatment to all property found in Japan, and identified as having been located in an allied country either at or during the time of occupation, and which was removed therefrom by fraud or duress by the Japanese or their agents, as that which he accords to objects in the 4 categories listed Para 1 of FEC 011/12 JCS Directive Nbr 57 identified as having been located in an allied country at the time of occupation.

"3. In the case of allied vessels subj to restitution the SCAP may, at his discretion, make delivery at Western Pacific points outside Japan whenever it would be to his advantage and whenever the recipient country agrees. If delivery is so made, any costs of supporting and repatriating ships crews used for such delivery would only be borne by the recipient country if it specifically agrees to do so. In the case of delivery of other items of looted property unutilized outgoing shipping space of Japanese vessels being employed in the importation of goods or repatriation of Japanese fr a restitution recipient country to Japan may be made avail, at the expense of the Japanese Govt but at the

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FROM CSCAD ECON NR : WAR 96552 27 FEB 48 CONTINUED

risk of the recipient country, to delivery such items at points outside Japan.

"4. After full opportunities have been given for inspection of objects known to have been looted SCAP is auth to liquidate property, excepting gold, silver, precious metals, and cultural objects, known to have been looted but not identified pursuant to the terms of this paper. The proceeds of such liquidation shall form a secured fund to be entrusted to the care of SCAP, which may be used, in the discretion of SCAP, for the purposes of the occupation. The initial value of the secured fund is to be preserved by SCAP or his successor auth. The govts of Australia, China, France, India, Netherlands, Philippines, and UK should have a priority right to purchase items offered for liquidation by Foreign Exchange acceptable to SCAP up to but not exceeding their recognized National Reparations percentage shares (when determined and adjusted to total 100% applicable to this fund) of industrial assets available fr within Japan. The secured fund should finally be distributed among the countries herein specified in accordance with the percentages mentioned above, payable in US dollars, or, at the discretion of SCAP, in Foreign Exchange acceptable to the recipient countries concerned. The secured fund shall be distributed to the recipient countries not later than 1 Oct 49

"5. SCAP shall create an agency comprising 1 representative fr ea of the restitution and reparations teams in Japan of the 11 member countries of the FEC who desire to participate, to advise on restitution matters. In addition the Supreme Commander or his Deputy should act as the non-voting chairman of the agency. It may meet at the call of the Supreme Commander or at the request of any member. The Supreme Commander should notify the US Govt of the views of the agency when his views conflict with those of the majority of the member countries.

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GENERAL HEADQUARTERS, FAR EAST COMMAND
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

INCOMING MESSAGE

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FROM : CSCAD ECON NR : WAR 96552 27 FEB 48 CONTINUED:

"6. In cases of doubt as to the adequacy of the evidence of ownership submitted to support a claim for an object known to have been looted, the Supreme Commander shall inform the other members of the Advisory Agency of the existence of the claim. The Advisory Agency, after examining the evidence, shall give its advice to the Supreme Commander as to whether the claim should be apd or the the provisions of Para 4 above applied.

"7. No claims for the resitution of looted property should be lodged with SCAP after 8 months fr the issuance of this directive to SCAP; provided that after such terminal date, claims may, with the concurrence of SCAP, be lodged for property known to have been looted but not previously identified." End of Directive.

2. DA and State are anxious to have all possible action taken which will complete your work of restitution. Agency and procedures provided for in Paras 5 and 6 are included in proposed directive because it is felt that they could contribute to this end and because they are politically desirable. What are your views?

3. Depts of State and Army agree that Para 4 of proposed directive should be understood to grant auth for immediate liquidation which need not be delayed pending determination of National Reparations percentage shares of industrial assets. State and Army agree that terms of Para 4 give you discretion to liquidate unidentified looted property for non-dollar currencies as well as for US dollars when this would both (A) facilitate liquidating property and (B) not be disadvantageous in terms of ultimate distribution of final proceeds.

4. Request best estimate immediately available of dollar value of property covered by Para 2 of above proposed directive and not covered by FEC 011/12 (directive 57).

5. In order to have maximum assurance of propriety of this proposed directive and of its feasibility as instrument

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FROM : CSCAD ECON NR : WAR 96552 27 FEB 48 CONTINUED

by which your restitution work may be completed as soon as possible, your comment and recommendation requested soonest.

NO SIG

ACTION: REPARATIONS

INFORMATION: COMMANDER IN CHIEF, CHIEF OF STAFF, AG, GOVT,
ECON & SCI, DIPLOMATIC, CIV PROP CUST

11450

PRIORITY

TOO : 261504

MCN ; 71564

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**GENERAL HEADQUARTERS
SUPREME COMMAND FOR THE ALLIED POWERS
AND
UNITED STATES ARMY FORCES, PACIFIC**

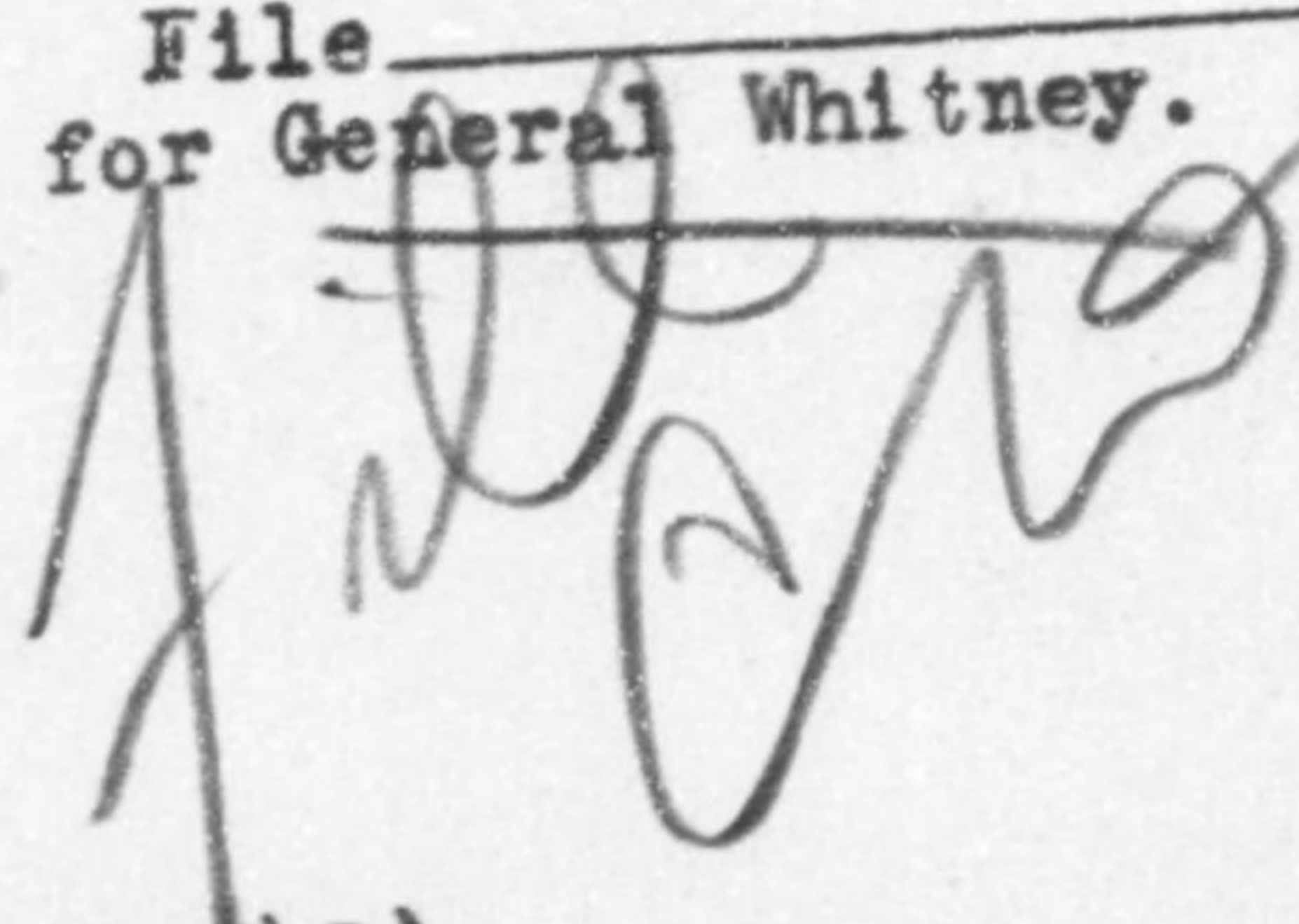
ROUTING SLIP

FROM: AG Radio & Cable Cent GHQ FEC APO 500 DATE: 11 Jan 1947

- TO:
- | | |
|---------------------------|-----------------------------------|
| Commander-in-Chief _____ | Ordnance _____ |
| Aide-de-Camp _____ | Prov Marshal _____ |
| Chief of Staff _____ | Pub Relations _____ |
| Deputy C of S AFPAC _____ | Quartermaster _____ |
| Deputy C of S SCAP _____ | Signal _____ |
| Secy, General Staff _____ | Sp Services _____ |
| G-1 _____ | Transp _____ |
| G-2 _____ | Civ Comm _____ |
| G-3 _____ | Civ I&E _____ |
| G-4 _____ | Civ Int _____ |
| Adjutant General _____ | Civ Prop Cust _____ |
| Antiaircraft _____ | Civ Transp _____ |
| Cent Purch _____ | Diplomatic _____ |
| Chaplain _____ | E&S _____ |
| Chemical _____ | Gen Acct'g _____ |
| Civ Personnel _____ | Gen Proc _____ |
| Engineer _____ | Government ***** _____ |
| Fiscal _____ | Int'l Pros _____ |
| Hq Comdt _____ | Legal _____ |
| I&E _____ | Nat Resources _____ |
| Inspector General _____ | Public H&W _____ |
| Judge Advocate _____ | Stat & Rpts _____ |
| Medical _____ | |

- FOR:
- | | |
|------------------------------------|-----------------------|
| Approval _____ | Note and Return _____ |
| Comment or _____ | Dist'n Desired _____ |
| Concurrence _____ | Signature _____ |
| Information ***** _____ | Dispatch _____ |
| Initials _____ | Attachment of _____ |
| Issuance of Orders _____ | Reference _____ |
| Necessary Action _____ | File _____ |
- This message personal for General Whitney.

*Given to Felix
July 1951
YB*



GENERAL HEADQUARTERS, FAR EAST COMMAND
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

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INCOMING MESSAGE

Secret
PRIORITY

8 Jan 48

FROM : CSCAD PL (DRAPER)
TO : CINCFE (MACARTHUR)
NR : W 93520

Reourad Dec W 92754 and urad Dec C 57502. Understood from urads the entire purge program was terminated with exception of writers and ultra-nationalistic and terroristic orgns and that termination certainly applied to economic purge which it had specifically inquired about. CAD has just recd your AG ltr nbr 091.1 (18 Dec) inclosing text of several laws recently enacted, including law for termination of Zaibatsu family control. Does Zaibatsu law require add economic purgings over and above approx 2,000 indicated by Gen Whitney in his comments on Kaufman report? If new law entails substantially more am concerned lest economic purge be in initial rather than terminated stage, which would be completely contrary to understanding it was given in Japan and from urad. Would appreciate your comment as to expected timing of implementation of law and scope and probable nbrs of "appointees" or other officials who may be expected to resign or be removed under laws provisions, and any other appropriate comment concerning this law.

NO SIG

ACTION : SECY GEN STAFF

INFORMATION : COMMANDER IN CHIEF, CHIEF OF STAFF

ADDED DIST: GOVT, ECON & SCI (11 Jan 48)

92045

PRIORITY

TOO : 071718 Z
MCN : 68727

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16-80735-1 GPO

GENERAL HEADQUARTERS
 SUPREME COMMANDER FOR THE ALLIED POWERS
 AND
 UNITED STATES ARMY FORCES, PACIFIC

ROUTING SLIP

FROM: AS RADIO & Cable DATE: 11 Jan 1948

TO:

Commander-in-Chief _____	Ordnance _____
Aide-de-Camp _____	Prov Marshal _____
Chief of Staff _____	Pub Relations _____
Deputy C of S AFPAC _____	Quartermaster _____
Deputy C of S SCAP _____	Signal _____
Secy, General Staff _____	Sp Services _____
G-1 _____	Transp _____
G-2 _____	
G-3 _____	Civ Comm _____
G-4 _____	Civ I&E _____
Adjutant General _____	Civ Int _____
Antiaircraft _____	Civ Prop Cust _____
Cent Purch _____	Civ Transp _____
Chaplain _____	Diplomatic _____
Chemical _____	E&S _____
Civ Personnel _____	Gen Acct'g _____
Engineer _____	Gen Proc _____
Fiscal _____	Government <input checked="" type="checkbox"/> *****
Hq Comdt _____	Int'l Pros _____
I&E _____	Legal _____
Inspector General _____	Nat Resources _____
Judge Advocate _____	Public H&W _____
Medical _____	Stat & Rpts _____

FOR:

Approval _____	Note and Return _____
Comment or	Dist'n Desired _____
Concurrence _____	Signature _____
Information *****	Dispatch _____
Initials _____	Attachment of
Issuance of Orders _____	Reference _____
Necessary Action _____	File _____

➔ This message personal to General Whitney.

*Given to files
 July 1951
 AB*

GENERAL HEADQUARTERS, FAR EAST COMMAND AND
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

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INCOMING MESSAGE

Confidential
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7 Jan 48

FROM : CSCAD (DRAPER)
TO : CINCPAC (PERSONAL TO MACARTHUR)
NR : W 93502

Have just received ltr from William E Knox Pres Westinghouse Electric International Co, stating that Mr Roger D McManigal of his company who has just returned from Japan advises that all top officials of Mitsubishi Denki KK may be subj to new law for termination of Zaibatsu Family Control. Knox believes that if these top Jap officials are eliminated it will be "virtually impossible" for Mitsubishi Denki KK to rehabilitate itself and to put this company's assets and experience to work for Jap reconstruction and rehabilitation. Knox particularly requests retention of 3 top Jap officials who he considers vital to tech continuation of Mitsubishi Denki KK. These are:

My Y. Seki, Managing Dir, having particularly to do with engineering, manufacturing, tech aspects; Mr S Takesugi, Pres, conversant with financial side of business; and Mr K Kirayama, considered by Westinghouse officials as best Jap engineer known to them. Last named official, according to Knox, was appointed after 8 Oct 46 and may be entitled to exemption under new law.

Would appreciate whatever info you can conveniently give me in reply to Westinghouse request.

NO SIG

ACTION: SECY GEN STAFF
INFORMATION: COMMANDER IN CHIEF, CHIEF OF STAFF
ADDED DIST: GOVT, ECON & SCI (11 Jan 48)

92400

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TOO : 070041 Z
MCN : 68677

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16-50735-1 GPO

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EXTRA

GENERAL HEADQUARTERS, FAR EAST COMMAND
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

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INCOMING MESSAGE

Restricted
PRIORITY

TBB

14 Jan 49

FROM : CSCAD ICO

TO : SCAP

NR : W 82710

At Far Eastern Commission meeting 13 Jan 49 US member read and distributed fol US statement on labor policy in Japan.

"At recent meeting of the commission the New Zealand member asked 2 questions of my delegation:

(1) Whether, in our opinion, FEC 045/5 (principles for Japanese trade unions) applies to all or to some workers employed by the Japanese govt; and

(2) Whether, in our opinion, the recent Japanese legislation on the subj is in conformity with FEC 045/5.

"FEC 045/5 is a broad statement of principles for Japanese trade unions. It does not indicate the specific categories of workers, govt or otherwise, to which it applies or does not apply.

"While we are all aware that virtually every national distinguishes between labor relationships in govt and labor relationships in private enterprise, and makes further distinctions in the treatment accorded various categories of govt workers, such distinctions are not made in FEC 045/5. The implementation of this policy decision is left, of course, to the Supreme Comdr in the exercise of his executive auth.

"The Supreme Comdr from time to time in the course of the occupation has given sponsorship and apl of necessary and appropriate Japanese legislation dealing with labor relations both in industry and in the public sv. Legislation in these important areas has been amended and revised from

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FROM : CSCAD ICO NR : W 82710 14 JAN 49 CONT'D

time to time by constitutional processes within the framework of the regime of control, to meet the objectives and needs of both the Japanese Govt and the occupation. It may be reasonably expected that the legislative code thus evolved will undergo further further revision by the same processes in the future.

"This code of Japanese legislation pertaining to labor relations within and without the public svc is not patterned precisely on that of any other single nation, nor should it be. It has been developed for Japan, in consultation between the successive Japanese govts and the Supreme Comdr who alone on behalf of the allied powers in a position to assess and appraise from an adm standpoint, the situation in Japan in which pertinent policy directives must be implemented by specific provisions of specific laws.

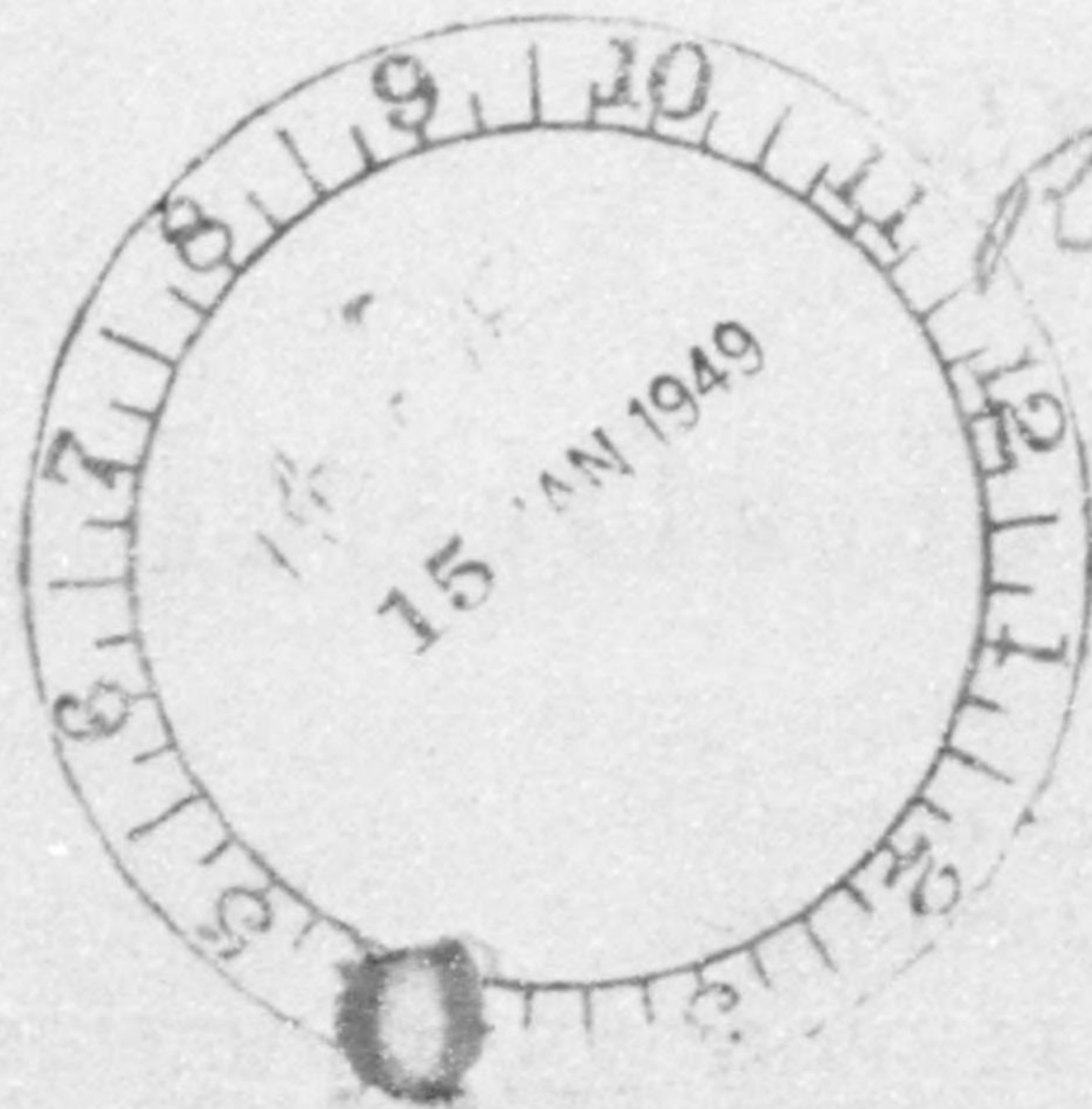
"In view of the fact that the policy decision has in effect left its precise application to Japanese labor to the Supreme Comdr, as a matter of implementation, I can only say in answer to the New Zealand members questions, that my govt considers it inappropriate for it to attempt to provide, by its opinion, precise terms for such implementation, and that it regards the implementation thus far effectuated by the supreme comdr as within his prerogatives and the latitude given him by the policy decision. My govt does not consider that the recent Japanese legislation is inconsistent with FEC 045/5."

NO SIG

ACTION : ECON & SCI

INFORMATION : COMMANDER IN CHIEF, CHIEF OF STAFF, G-2, G-3, AG, GOVT, STAT & RPTS, LEGAL, DIPLOMATIC

28080



PRIORITY

Restricted
2

TOO : 132059 Z
MCN : 91600