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740.00119 CONTROL (JAPAN)/6-147 -- 7 -3147



Form DS-302  
(7-2-46)

DIVISION OF  
COMMUNICATIONS AND RECORDS  
TELEGRAPH BRANCH

DEPARTMENT OF STATE  
INCOMING TELEGRAM

ACTION COPY

Office of  
FAR EASTERN AFFAIRS  
JUN 10 1947  
2:45 pm  
Department of State

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RESTRICTED

LEGAL ADVISER Control 421  
JUN 10 1947 Rec'd June 3, 1947  
12:37 a.m.  
DEPARTMENT OF STATE

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Action: FE  
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FROM: Tokyo  
TO: Secretary of State  
NO: 144 June 2, 1947

DIVISION OF  
NORTHEAST ASIAN AFFAIRS

To LE for action.  
JUN 5 1947 HB

740.00119 Control (Japan) / 10-1046

Reference Department's telegram 552, November 6, 1946.

XR. 894,043

For purposes (A) determination criminal jurisdiction by occupation and/or Japanese courts; and (B) procedures regarding property by occupation forces and/or agencies of Japanese Government, request current classifications of United Nations, neutral nations, enemy or ex-enemy nations, and special status nations.

It may be desirable change named categories with view simplifying problems concerning persons and property of nationals and countries concerned.

ATCHESON

EEC:CH

JUN 27 1947  
FILED

740.00119 CONTROL (JAPAN) / 6-247

PERMANENT RECORD COPY:

THIS COPY MUST BE RETURNED TO DC/R CENTRAL FILES WITH NOTATION OF ACTION TAKEN.

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FORM DS-222  
7-18-46

OUTGOING TELEGRAM

CLASSIFICATION

INDICATE

Collect

Charge Department: X

Department of State

RESTRICTED

Charge to

Washington  
**RESTRICTED**

6493

Supreme Commander for the Allied Powers,

JUN 26 1947

Tokyo.

Info: War Department Chief of Staff

For Political Adviser

236

cong/6-2

Reference urtel 144, June 2. Following is list of all members

of United Nations:

- |                     |             |                          |
|---------------------|-------------|--------------------------|
| Afghanistan         | France      | Poland                   |
| Argentina           | Greece      | Republic of the          |
| Australia           | Guatemala   | Philippines              |
| Belgium             | Haiti       | Saudi Arabia             |
| Bolivia             | Honduras    | Siam                     |
| Brazil              | Iceland     | Sweden                   |
| Byelorussian Soviet | India       | Syria                    |
| Socialist Republic  | Iran        | Turkey                   |
| Canada              | Iraq        | Ukrainian Soviet         |
| Chile               | Lebanon     | Socialist Republic       |
| China               | Liberia     | Union of South Africa    |
| Colombia            | Luxembourg  | Union of Soviet          |
| Costa Rica          | Mexico      | Socialist Republics      |
| Cuba                | Netherlands | United Kingdom of        |
| Czechoslovakia      | New Zealand | Great Britain and        |
| Denmark             | Nicaragua   | Northern Ireland         |
| Dominican Republic  | Norway      | United States of America |
| Ecuador             | Panama      | Uruguay                  |
| Egypt               | Paraguay    | Venezuela                |
| El Salvador         | Peru        | Yugoslavia.              |
| Ethiopia            |             |                          |

Neutral nations Afghanistan, Ireland (Eire), Nepal, Portugal, Spain, Sweden, Switzerland, Yemen.

Enemy nations Bulgaria, Germany, Hungary, Japan, Rumania.

Special status nations Austria, Estonia, Italy, Finland, Korea, Latvia,

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CS/A

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(Japan) / 6-247

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FORM OS-322  
7-18-46

INDICATE

Collect

Charge Department:

Charge to

OUTGOING EGRAM

CLASSIFICATION

Department of State

RESTRICTED

Washington

- 2 -

Latvia, Lithuania, Siam (Thailand).

See Department's 552, November 6, 1946.

Status undetermined, Albania.

*Marshall*  
MARSHALL  
*CS*

Le 740.0019 Control (Japan)

Le/P:CESnow:efm  
6/16/47 - 6/24/47

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JUN 28 1947



STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Le/P - General Snow  
 FROM : RE - Mr. Noble  
 SUBJECT: Proposed telegram to Tokyo

DATE: June 18, 1947

LEGAL ADVISER  
 701a  
 JUN 20 1947  
 DEPARTMENT OF STATE

I submit for your consideration the following comments regarding the proposed reply to Tokyo's telegram no. 144 of June 2, 1947:

1. It is possible that what SCAP needs is a list of mutually exclusive categories, which would enable SCAP to assign each national and each item of property to one and only one category. (In the original list submitted by SCAP on August 28, 1946, no nation appeared in more than one category.) If this is so, the inclusion of Afghanistan and Siam in two of your categories (Afghanistan as a member of the United Nations and as a neutral, Siam as a member of the United Nations and as a special-status nation) may not meet SCAP's needs.

On the other hand, if there is no objection to including a nation in more than one category, then (1) Sweden (now listed as a member of the United Nations) should be added to the list of neutrals, and (2) if "neutral nation" means "nation which was not in a state of war in World War II", then perhaps Denmark and Iceland (now listed as members of the United Nations) should be added to the list of neutrals. If this is not done, the category listed as "Neutral nations" would more properly be described as "Nations which were neutral and were not occupied by belligerent forces".

2. There is a typographical error in the name of Ethiopia in the list of members of the United Nations.

3. In the list of enemy nations you include "Roumania". The preferred spelling in the Department is "Rumania". Would you care to add, in the paragraph referred to, a statement to the effect that treaties of peace with Bulgaria, Hungary, and Rumania have been signed and ratified by the United States but have not yet come into force?

FW 740.00119 CONTROL  
 (JAPAN) /6-247

CS/A

FW 740.00119 Control  
 (Japan) /6-247

TO: *Le/P*  
 FROM: *RE*  
 SUBJECT: *Proposed telegram to Tokyo*

Dist. \_\_\_\_\_



-2-

4. As Austria is listed among the "Special status nations", perhaps Korea should also be listed there, unless the fact that Austria is considered as a "liberated country" is what warrants Austria's inclusion.

5. Certain countries listed in standard Department of State publications, such as the Foreign Service List and the Register, are not included in any of the proposed categories. I presume that these are all omitted for good reasons. They are: Estonia, Latvia, and Lithuania; Albania; Andorra, Liechtenstein, Monaco, San Marino, and Yemen; Morocco; Palestine and Transjordan; Burma and Ceylon; Nepal; and Vatican City. It may be added that the United States has treaties or agreements in force with Muscat and Zanzibar.

RE:WGerber:nw



STANDARD FORM NO. 64

*Office Memorandum* · UNITED STATES GOVERNMENT

DATE: June 23, 1947

TO : NA - Mr. ~~Borton~~, Mr. Allison

FROM : NA - Mr. Fearey

Office of  
FAR EASTERN AFFAIRS  
JUN 23 1947  
DIRECTOR  
Department of State

SUBJECT: Allied Council meeting of May 28.

The brief time of the meeting was spent in a perfectly puerile post-mortem of Colonel Sam's public health report of the previous meeting. Badly worsted in the argument, General Derevyanko could only say "my opinion remains unchanged". I notice from the papers that the last two meetings of the Council adjourned in two minutes, nothing having been put up for discussion.

General Shang Chen replaced General Chu Shih-ming as permanent Chinese member.

NA:REFearey:ms





UNITED STATES POLITICAL ADVISER  
FOR JAPAN

Tokyo, June 2, 1947.

RESTRICTED

No. 1083

NOR file

JUN 1 1947

SUBJECT: Thirty-third Meeting of the Allied Council for Japan,  
May 28, 1947.

1/  
2/

The United States Political Adviser has the honor to refer to this Mission's despatch No. 1054, May 20, 1947, and to previous correspondence in regard to meetings of the Allied Council for Japan, and to forward as enclosures five copies each of the Agenda and Corrected Verbatim Minutes of the Thirty-third Meeting of the Council held on May 28, 1947.

The Chairman expressed the regret of the Council at the departure of General Chu Shih-ming who had been forced to resign on account of ill health. He also extended a cordial welcome to General Shang Chen, the newly appointed member for China, who made an appropriate reply.

The only subject on the Agenda under official matters, "The State of Public Health in Japan", had been held over from the previous meeting. The Soviet Member, in a prepared statement, took issue with some of the material presented at the Thirty-first Meeting by Colonel Sams, Chief of this Headquarters' Public Health and Welfare Section. The remarks of the Soviet Member were mere allegations unsupported by factual information, and obviously were intended to give a distorted version of the public health picture in Japan. (General Derevyanko's remarks appear on page 2 et seq., of the Minutes.)

In reply to the Soviet Member's statement, the Chairman remarked that he had never quite understood the purpose which the Soviet Member had in mind in placing this subject on the Agenda, and added that Colonel Sams and his Section went to a great deal of trouble in marshalling facts to provide information for the Council in reply to a large number of sweeping allegations previously made by the Soviet Member in his introductory remarks. The Chairman expressed his doubt if anywhere in the world there had ever been achieved so much success in such a short space in any public health program. Colonel Sams also made a short factual reply to the Soviet Member's allegations.

There was no response to the Chairman's request for recommendations on this subject which might be of assistance to the Supreme Commander.

Enclosures:

1. Five Copies of Agenda, Thirty-third Meeting.
2. Five Copies of Corrected Verbatim Minutes, Thirty-third Meeting.

Original and ozalid to Department.

- Copies to:
- American Embassy, London.
  - American Embassy, Nanking.
  - American Embassy, Moscow.
  - American Embassy, Canberra.
  - American Embassy, New Delhi.
  - American Legation, Wellington.

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JUN 30 1947

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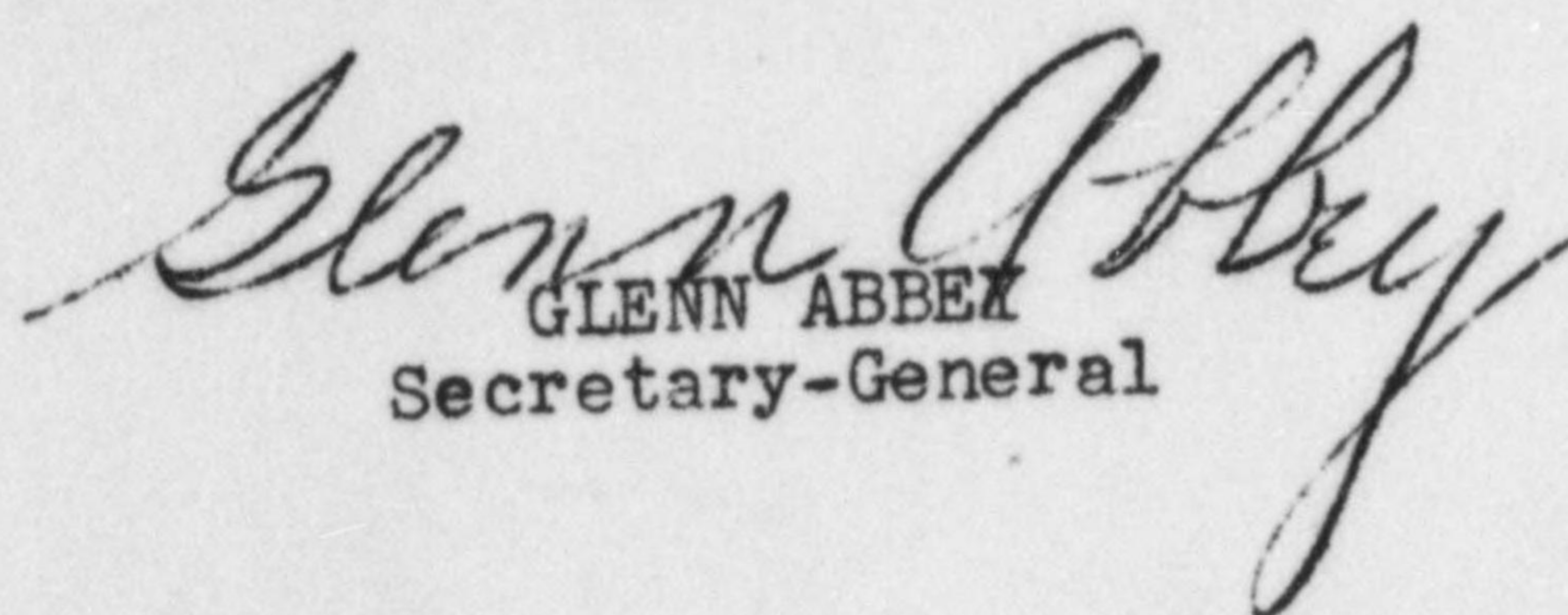
33-528

AGENDA  
for the  
THIRTY-THIRD MEETING  
ALLIED COUNCIL FOR JAPAN

To be held in the Meiji Building, Tokyo  
Wednesday, 28 May 1947, at 1000 Hours

- I APPROVAL OF THE CORRECTED VERBATIM MINUTES OF THE  
THIRTY-SECOND MEETING (1 Session, Numbered 32-514).
- II PROCEDURAL MATTERS  
None held over or submitted as subjects for this Agenda.
- III OFFICIAL MATTERS  
1. The State of Public Health in Japan.  
(Inclosure #1).

By Direction of the Chairman:

  
GLENN ABBEY  
Secretary-General

1 Incl:  
Agenda Item 29-402-3

Corrected  
24 May 1947



ALLIED COUNCIL FOR JAPANProposed Discussion Agenda

- I AGENDA ITEM NO. 29-402-3 (Fourth Revision 23 May 1947).
- II PROPOSED BY: LIEUTENANT GENERAL KUZMA N. DEREVYANKO,  
Member for the Union of Soviet Socialist Republics,  
for initial discussion at the Twenty-ninth Meeting.
- III SUBJECT FOR DISCUSSION: The State of Public Health in  
Japan.
- IV DATE PROPOSED FOR DISCUSSION: Wednesday, 28 May 1947.  
(Held over from the Thirty-second Meeting at the request  
of the Soviet Member).
- V SCOPE OF INFORMATION DESIRED: None requested.
- VI SPECIFIC INFORMATION DESIRED ON PROGRESS TO DATE: None.
- VII REFERENCES:
1. Inclosure #4, Agenda 29-402.
  2. Corrected Verbatim Minutes 30-416, Pages 48 to 51.
  3. Corrected Verbatim Minutes 31-430, Pages 5 through 21.
  4. Corrected Verbatim Minutes 32-514, Page 10.



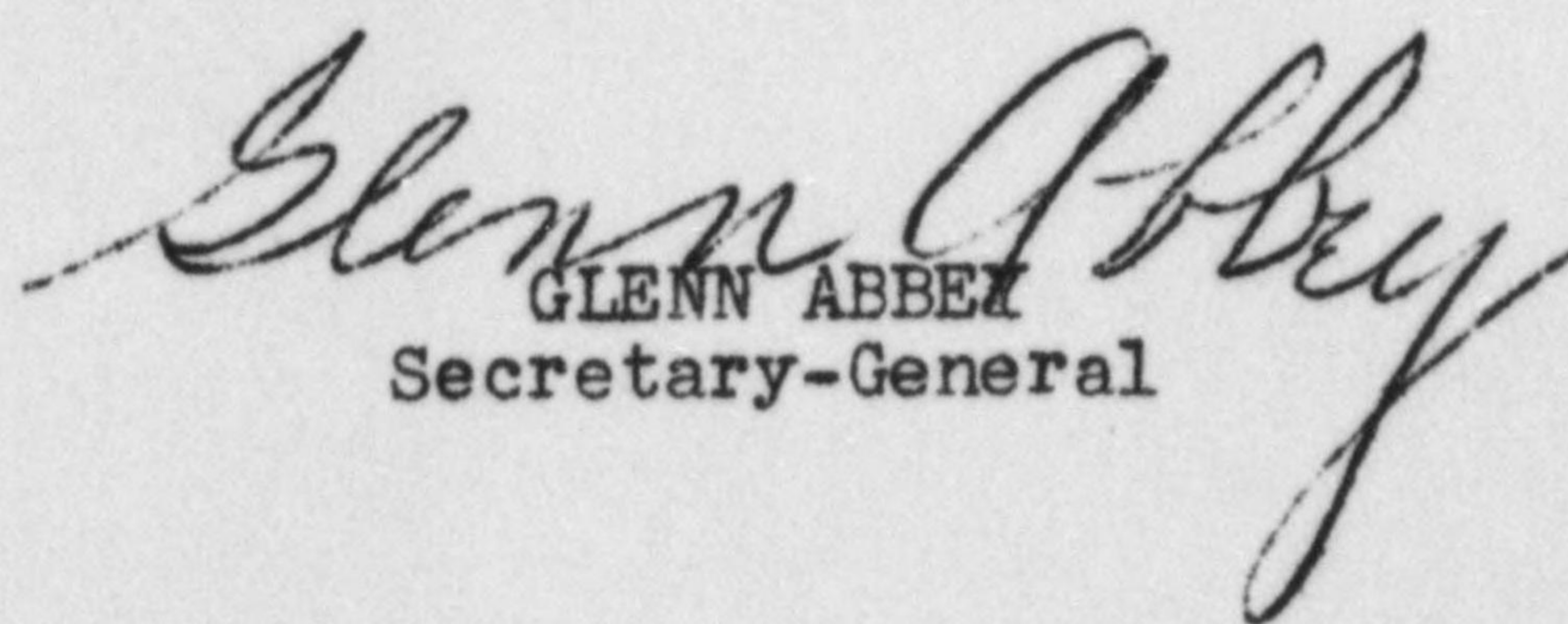
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By Direction of the Chairman:

  
GLENN ABBE  
Secretary-General

1 Incl:  
Agenda Item 29-402-3

Corrected  
24 May 1947



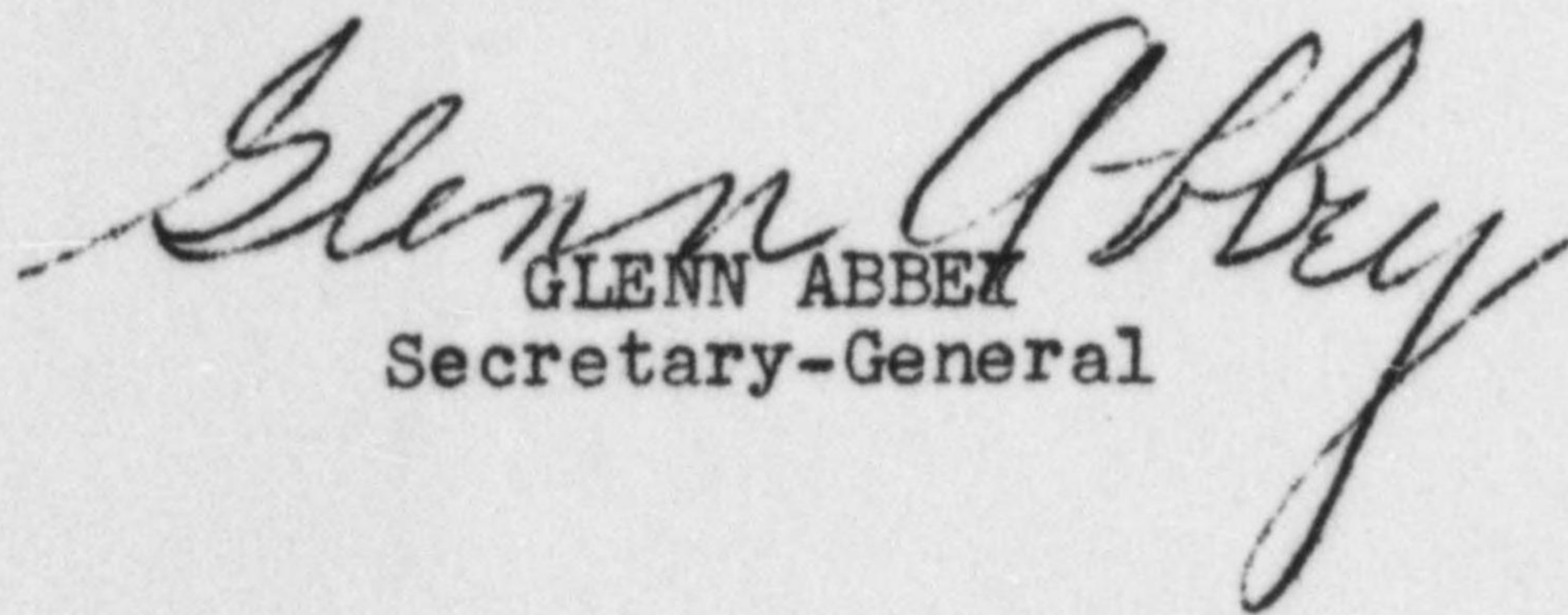
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GLENN ABBE  
Secretary-General

1 Incl:  
Agenda Item 29-402-3

Corrected  
24 May 1947



ALLIED COUNCIL FOR JAPAN  
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33-528

CORRECTED  
VERBATIM MINUTES  
of the  
THIRTY-THIRD MEETING  
ALLIED COUNCIL FOR JAPAN

Meiji Building, Tokyo, Wednesday, 28 May 1947, at 1000 Hours

MEMBERS PRESENT

The Honorable George Atcheson, Jr., Deputy for the Supreme  
Commander, Chairman, and Member for the United States

His Excellency, General Shang Chen, Member for China

The Honorable W. Macmahon Ball, Member representing jointly  
the United Kingdom, Australia, New Zealand and India

Lieutenant General Kuzma N. Derevyanko, Member for the  
Union of Soviet Socialist Republics

ACTING  
SECRETARY-GENERAL

Colonel John W. Hammond

Office of the Secretariat  
Allied Council for Japan  
29 May 1947



THE CHAIRMAN: The meeting will please come to order.

As the Members are aware, our good friend and colleague, GENERAL CHU SHIH-MING, has been forced to resign on account of ill health. GENERAL CHU has made many friends during his sojourn in Tokyo. I am sure that all regret his departure and should wish to send him our best wishes for a speedy and full recovery. Our misfortune in losing GENERAL CHU is tempered by our very good fortune in having him replaced by the distinguished GENERAL SHANG CHEN who, like GENERAL CHU, is to me an old and valued friend. On behalf of the Council, I give GENERAL SHANG a most cordial welcome.

GENERAL SHANG: MR. CHAIRMAN and distinguished colleagues, I would like to thank THE CHAIRMAN for his kind remarks. As I have only recently taken up my new duties here as Member for China to the Allied Council, I shall first devote my time and energy to acquire a full knowledge of the deliberations of the Members of the Council. This will be very helpful to me in guiding my work in the future. Fully realizing the importance of our task, and the great responsibilities involved, I will in collaboration with the other Members of the Council exert myself to the utmost to bring our work to an early and successful completion. Thank you.

THE CHAIRMAN: We are very happy to have you here, GENERAL, and I am sure that all of the Members will wish to offer you fullest cooperation.

The Verbatim Minutes of the Thirty-second Meeting were circulated among the Members for correction. If there is no objection (Pause), they will be recorded as approved.

Are there any procedural matters? (Pause).

Under official matters we have the subject, "The State of Public Health in Japan," which was proposed by the Soviet Member for initial discussion at the Twenty-ninth Meeting and has been



held over from the last meeting to this at the request of the Soviet Member. GENERAL DEREVYANKO?

LIEUTENANT GENERAL DEREVYANKO: MR. CHAIRMAN, GENTLEMEN, having studied the material presented by COLONEL SAMS, Chief of SCAP's Public Health and Welfare Section, who almost completely confirmed all of the points which were set forth in my introductory statement at the meeting of the Allied Council on April 16th, this year, I cannot agree with his conclusion that "The State of Public Health in Japan" is very satisfactory.

In connection with that, I would like to make a few remarks:

1. COLONEL SAMS thinks that a steady increase of cases of venereal diseases, including syphilis, is a normal phenomenon, explaining it by the fact that these diseases were not reported earlier, and that the growth of the number of cases is allegedly a result of the improved system of reporting.

I cannot agree with that.

It is not the improved system of reporting that counts, but the fact that amidst the population of Japan there is a huge number of venereal patients and that venereal diseases continue to grow and spread to the new strata of the population.

As an example, I may refer to the data given in COLONEL SAMS' report which show that if in 1946 there were 102.4 cases of syphilis per one hundred thousand population per annum, during the first quarter of 1947 the figure amounted to 162.0. Prostitution continues to grow. According to COLONEL SAMS, only in six industrial districts of Japan there are twenty thousand prostitutes.

2. COLONEL SAMS tried to convince the Members of the Allied Council that Japan had a sufficient number of hospital beds which fully meet the requirements of patients, and that bed occupancy not exceeding forty to forty-five per cent is a normal



phenomenon, and that Japan was not in need of hospital beds.

I cannot agree with that, too. Such a percentage of bed occupancy is very low.

The Japanese population suffering from numerous diseases refrain from using hospitals only because they cannot afford to pay for the treatment.

Even in 1946, during a considerable epidemic of smallpox, typhus, and a number of other contagious diseases, bed occupancy did not exceed forty-six per cent.

I cannot agree with the contention that the Japanese use their own bedding in hospitals and cook their food in hospital wards allegedly in accordance with prevailing customs.

I believe it is not a matter of custom, but rather is explained by the lack of normal conditions in Japanese hospitals for their in-patients undergoing treatment during their stay in the hospitals.

It is necessary that the Japanese Government increase budget appropriations for public health, put hospitals in good order, sufficiently supply them with bedding, drugs, and provisions. It is also necessary to make treatment fees accessible to all, and to increase the number of hospitals in the country, distributing them equally in prefectures.

It is necessary to increase the production of drugs and bring down their prices which have increased 22.5 times, and on the black market fifty to seventy times.

All stated above shows that the state of public health in Japan is unsatisfactory. Social diseases in the country continue to grow. To improve the state of public health in the country, the Japanese Government must take serious measures to improve medical service.

As far as COLONEL SAMS' assertions as to tuberculosis in



the U.S.S.R. are concerned, it must be said that they are at variance with facts.

In the Soviet Union as a result of the improvement of economic conditions and due to the realization on a large scale of special measures taken by the State to combat tuberculosis (creation of a large number of dispensaries, hospitals, sanatoriums, et cetera) the death rate from tuberculosis has at present been reduced fifty per cent as compared to 1913.

THE CHAIRMAN: I must confess that I have never quite understood the purpose which the Soviet Member had in mind in placing this subject on the agenda, unless it was to prove that black is white and white is black. When the subject was first opened for discussion, my recollection is that the Soviet Member in his introductory remarks made a large number of sweeping allegations, apparently without any basis of fact, tending to indicate that public health in Japan was deteriorating and that nothing had been done about it. COLONEL SAMS and his Section went to a great deal of trouble in marshaling facts to provide information for the Council. He presented what seemed to me, and to many other people, a most impressive array of facts. I doubt if anywhere in the world, at any time, there has ever been achieved so much success in such a short space in any public health program. These facts, however, do not seem to have impressed the Soviet Member, or perhaps he has not understood all of the information which COLONEL SAMS provided. In any case, mere allegation cannot, and does not, take the place of fact.

COLONEL SAMS; do you wish to make any remarks?

COLONEL SAMS: I have only these remarks to make: I cannot agree with the allegation that venereal diseases in Japan



are increasing. There is no information available as to the total number of cases in Japan at this time, or at any other time. As stated before, reporting of venereal diseases is a new thing in Japan, and we are having an increasing number of cases reported and brought under treatment. I feel that we have not uncovered more than one third or perhaps as much as one tenth of the total number of cases actually present in Japan, and that is based on experience in other countries.

In the case of hospital beds, I can only present the facts comparing the number of beds available in Japan as compared to other countries. To repeat, the beds available in Japan per thousand population are 3.5 as compared with 3.41 in other countries.

As to the cost of drugs, they are dependent entirely on the cost of raw materials and of labor. They have increased only twenty-two and a half times, as stated, as compared to the general cost of living, which has gone up twenty-eight times. Until the cost of raw materials and the cost of labor decrease, the cost of drugs cannot legitimately be further reduced.

As to the data on the incidence or rather the mortality rates from tuberculosis in the Union of Soviet Socialist Republics, that was based on a report of the Commissar of Health of the U.S.S.R. Government for the years of 1917 and 1942.

I have no other comments.

THE CHAIRMAN: Thank you, COLONEL.

THE CHAIRMAN: Do any of the Members have any recommendations on this subject which might be of assistance to the SUPREME COMMANDER?

LIEUTENANT GENERAL DEREVYANKO: I would like to say a few



words. MR. CHAIRMAN, in response, I would like to say that I have studied COLONEL SAMS' information very thoroughly, and I understood it very clearly. My opinion and my recommendations on the subject were given in my statements made to the meeting of the Allied Council, and I have nothing to change in my statements after your reply today.

I would like to say that I don't think it is necessary to argue at the meetings of the Allied Council about what is black and what is white.

THE CHAIRMAN: If none of the Members have any constructive advice or recommendations to make on this subject, it would seem that the business of this meeting is concluded. (Pause). We shall accordingly adjourn.

(The meeting adjourned at 1030 hours).



33-528

CORRECTED  
VERBATIM MINUTES  
of the  
THIRTY-THIRD MEETING  
ALLIED COUNCIL FOR JAPAN

Meiji Building, Tokyo, Wednesday, 28 May 1947, at 1000 Hours

MEMBERS PRESENT

The Honorable George Atcheson, Jr., Deputy for the Supreme  
Commander, Chairman, and Member for the United States

His Excellency, General Shang Chen, Member for China

The Honorable W. Macmahon Ball, Member representing jointly  
the United Kingdom, Australia, New Zealand and India

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Union of Soviet Socialist Republics

ACTING  
SECRETARY-GENERAL

Colonel John W. Hammond

Office of the Secretariat  
Allied Council for Japan  
29 May 1947



THE CHAIRMAN: The meeting will please come to order.

As the Members are aware, our good friend and colleague, GENERAL CHU SHIH-MING, has been forced to resign on account of ill health. GENERAL CHU has made many friends during his sojourn in Tokyo. I am sure that all regret his departure and should wish to send him our best wishes for a speedy and full recovery. Our misfortune in losing GENERAL CHU is tempered by our very good fortune in having him replaced by the distinguished GENERAL SHANG CHEN who, like GENERAL CHU, is to me an old and valued friend. On behalf of the Council, I give GENERAL SHANG a most cordial welcome.

GENERAL SHANG: MR. CHAIRMAN and distinguished colleagues, I would like to thank THE CHAIRMAN for his kind remarks. As I have only recently taken up my new duties here as Member for China to the Allied Council, I shall first devote my time and energy to acquire a full knowledge of the deliberations of the Members of the Council. This will be very helpful to me in guiding my work in the future. Fully realizing the importance of our task, and the great responsibilities involved, I will in collaboration with the other Members of the Council exert myself to the utmost to bring our work to an early and successful completion. Thank you.

THE CHAIRMAN: We are very happy to have you here, GENERAL, and I am sure that all of the Members will wish to offer you fullest cooperation.

The Verbatim Minutes of the Thirty-second Meeting were circulated among the Members for correction. If there is no objection (Pause), they will be recorded as approved.

Are there any procedural matters? (Pause).

Under official matters we have the subject, "The State of Public Health in Japan," which was proposed by the Soviet Member for initial discussion at the Twenty-ninth Meeting and has been



held over from the last meeting to this at the request of the Soviet Member. GENERAL DEREVYANKO?

LIEUTENANT GENERAL DEREVYANKO: MR. CHAIRMAN, GENTLEMEN, having studied the material presented by COLONEL SAMS, Chief of SCAP's Public Health and Welfare Section, who almost completely confirmed all of the points which were set forth in my introductory statement at the meeting of the Allied Council on April 16th, this year, I cannot agree with his conclusion that "The State of Public Health in Japan" is very satisfactory.

In connection with that, I would like to make a few remarks:

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I cannot agree with that.

It is not the improved system of reporting that counts, but the fact that amidst the population of Japan there is a huge number of venereal patients and that venereal diseases continue to grow and spread to the new strata of the population.

As an example, I may refer to the data given in COLONEL SAMS' report which show that if in 1946 there were 102.4 cases of syphilis per one hundred thousand population per annum, during the first quarter of 1947 the figure amounted to 162.0. Prostitution continues to grow. According to COLONEL SAMS, only in six industrial districts of Japan there are twenty thousand prostitutes.

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As far as COLONEL SAMS' assertions as to tuberculosis in



the U.S.S.R. are concerned, it must be said that they are at variance with facts.

In the Soviet Union as a result of the improvement of economic conditions and due to the realization on a large scale of special measures taken by the State to combat tuberculosis (creation of a large number of dispensaries, hospitals, sanatoriums, et cetera) the death rate from tuberculosis has at present been reduced fifty per cent as compared to 1913.

THE CHAIRMAN: I must confess that I have never quite understood the purpose which the Soviet Member had in mind in placing this subject on the agenda, unless it was to prove that black is white and white is black. When the subject was first opened for discussion, my recollection is that the Soviet Member in his introductory remarks made a large number of sweeping allegations, apparently without any basis of fact, tending to indicate that public health in Japan was deteriorating and that nothing had been done about it. COLONEL SAMS and his Section went to a great deal of trouble in marshaling facts to provide information for the Council. He presented what seemed to me, and to many other people, a most impressive array of facts. I doubt if anywhere in the world, at any time, there has ever been achieved so much success in such a short space in any public health program. These facts, however, do not seem to have impressed the Soviet Member, or perhaps he has not understood all of the information which COLONEL SAMS provided. In any case, mere allegation cannot, and does not, take the place of fact.

COLONEL SAMS, do you wish to make any remarks?

COLONEL SAMS: I have only these remarks to make: I cannot agree with the allegation that venereal diseases in Japan



are increasing. There is no information available as to the total number of cases in Japan at this time, or at any other time. As stated before, reporting of venereal diseases is a new thing in Japan, and we are having an increasing number of cases reported and brought under treatment. I feel that we have not uncovered more than one third or perhaps as much as one tenth of the total number of cases actually present in Japan, and that is based on experience in other countries.

In the case of hospital beds, I can only present the facts comparing the number of beds available in Japan as compared to other countries. To repeat, the beds available in Japan per thousand population are 3.5 as compared with 3.41 in other countries.

As to the cost of drugs, they are dependent entirely on the cost of raw materials and of labor. They have increased only twenty-two and a half times, as stated, as compared to the general cost of living, which has gone up twenty-eight times. Until the cost of raw materials and the cost of labor decrease, the cost of drugs cannot legitimately be further reduced.

As to the data on the incidence or rather the mortality rates from tuberculosis in the Union of Soviet Socialist Republics, that was based on a report of the Commissar of Health of the U.S.S.R. Government for the years of 1917 and 1942.

I have no other comments.

THE CHAIRMAN: Thank you, COLONEL.

THE CHAIRMAN: Do any of the Members have any recommendations on this subject which might be of assistance to the SUPREME COMMANDER?

LIEUTENANT GENERAL DEREVYANKO: I would like to say a few



words. MR. CHAIRMAN, in response, I would like to say that I have studied COLONEL SAMS' information very thoroughly, and I understood it very clearly. My opinion and my recommendations on the subject were given in my statements made to the meeting of the Allied Council, and I have nothing to change in my statements after your reply today.

I would like to say that I don't think it is necessary to argue at the meetings of the Allied Council about what is black and what is white.

THE CHAIRMAN: If none of the Members have any constructive advice or recommendations to make on this subject, it would seem that the business of this meeting is concluded. (Pause). We shall accordingly adjourn.

(The meeting adjourned at 1030 hours).



Form DS-302  
(7-2-46)

DIVISION OF  
COMMUNICATIONS AND RECORDS  
TELEGRAPH BRANCH

DEPARTMENT OF STATE  
INCOMING TELEGRAM

**ACTION COPY**  
DIVISION OF  
NORTHEAST ASIAN AFFAIRS  
*File*  
JUN 9 - 1947  
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DEPARTMENT OF STATE

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FE	<input checked="" type="checkbox"/>
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CA	<input type="checkbox"/>
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- Action: FE
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Control 1986

Rec'd June 6, 1947  
Office of  
FAR EASTERN AFFAIRS  
JUN - 7 1947  
DIRECTOR  
Department of State

FROM: Moscow  
TO: Secretary of State  
NO: 2053, Sixth

NEW TIMES No. 22, May 30: "What We Saw in Japan and in Korea" by M. Tarasov repeats charges obstruction by US occupation authorities made in TRUD interview with author (EMBTTEL 1902 May 26). Highlights follow:

"Japanese trade unions today total some 4,500,000 members whereas, before war and prior banning trade unions in 1940 their membership didn't exceed 400,000 to 450,000. Disunity of movement, however, hasn't yet been overcome\*\*\* There have been repeated attempts build up united trade union center and some progress has been made towards achieving unity \*\*\* Certain leaders Japanese Federation Labor Unions are opposed to unity in trade union movement. They evidently fear loss influence in United Trade Union Organization again. Their position betrays influence AFL leaders, who carrying on extensive activity in Japan.

Department please repeat Tokyo.

DURBROW

SMD:PAL

Note: Repeated to Tokyo 6/6/47, 9:10 p.m., CWO-JS

740.00119 CONTROL (JAPAN)  
/6-647

*Handwritten notes:*  
JUN 10 1947  
Director of State  
6.11.47

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JUN 16 1947  
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TOP SECRET  
Classification approved  
by J. J.  
June 6, 1947.

JUN 6 1947

TOP SECRET

No. 514

To the  
United States Political Adviser to  
The Supreme Commander for the Allied Powers,  
Tokyo.

The Secretary of State encloses for the information  
of the Political Adviser copies of SWNCC documents, as  
listed below.

Enclosures:

- 1. SWNCC 364/1, copy no. 40.
- 2. Minutes of SWNCC meeting,  
20 May, copy no. 46.

740.00119 CONTROL (JAPAN)/6-647

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the original sub-  
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JUN 6 1947

TOP SECRET FILE

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Form DS-302 (7-2-46)

DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

DEPARTMENT OF STATE INCOMING TELEGRAM

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DIVISION OF NORTHEAST ASIAN AFFAIRS

Control 2381

JUN 9 - 1947

Rec'd June 7, 1947 1:10 p.m.

DEPARTMENT OF STATE

FROM: Moscow TO: Secretary of State NO: 2068, June 7

Table with columns: Action, FE, Info, UN, CA, NA, PI, SEA. Includes handwritten 'NA' and checkmarks.

740.00119 CONTROL (JAPAN)

16-747

RED FLEET "Americans in Japan" by V. Yakovlev, review book of this title by O. Korganov who recently spent six months in Japan. Summary follows:

American military policy and intelligence branch MacArthur's EOS dogged every step Soviet journalist in Japan.

Soviet pilot who set plane down on field near Yokohama told Muscovites: "Well, here's Japan for you." Kurganov writes: "I looked around and it seemed pilot had made mistake: our plane was ringed with solid wall MPs -- American military police. Officer stood in center this circle and shouted out our names."

From that moment on, journalists daily felt selves under charge MPs or G-2 agents. In spite this military - police control, Soviet journalists saw Japan such as she is and saw role played by Americans in internal life Japan.

Book shows that Japan, while remaining feudal country is merely acquiring Americanized coat paint which can be seen all over. Americans in Japan are doing everything to strengthen "reign Zaibatsu" helping extend sphere its influence. Not for nought did Dinan owners this monopoly clique convince friends at banquets that "feudal spirit Japan will only grow rich on friendship with Americans."

During last decades world repeatedly has registered indignation over feudal medieval labor conditions in Jap factories.

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FILED HH JUN 16 1947

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-2- #2068, June 7, from Moscow

factories. Now Americans chalk this up to "Secrets Jap psychology". Kurganov draws no hasty conclusions. He merely familiarizes reader with various provinces life on Japan and asks question: "Do Americans intend Japan finally to become 49th state or will she become ordinary colony USA or merely tool in hands American monopolists to fight against democracy?"

And if this happens, if slave fate is being prepared for Jap people "will American people look at all this with cold indifference?"

Department repeat Tokyo as Moscow's 4.

DURBROW

Note: Repeated to Tokyo 6 p.m., 6/7/47.  
(CWO-NPL)

RSP:WLB

PLAIN



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JAN 16 1948

**FILED**

FILE NO. 740.00119 CONTROL (JAPAN) / 6-947 MEL BOURNE  
DESP. 436 FROM



436.

FE

Rec'd-DC/L  
June 20, 1947  
3:11 pm

Melbourne, Australia,  
June 9, 1947.

JUN 26 1947

## ACTION:

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Australian Criticism of American Administration  
in Japan.

I have the honor to enclose herewith a clipping from May 31, 1947, issue of the "Herald" of Melbourne, written by "a special correspondent" in Tokyo, and headed "Carpet-baggers in Khaki seek future Jap trade". The space given this report and the provocative point of view which it expresses, is perhaps a climax or at least a high point of comment along similar lines which has been appearing in the local press for several months. There are also enclosed excerpts from articles appearing in the Melbourne and Hobart press since August last. These are not the only articles dealing with developments in Japan which have appeared in the press, but they do represent most of the critical comment.

In general, it may be noted that affairs in Japan have been given a good deal of newspaper publicity. This is, of course, natural, since Japan was Australia's principal enemy and the Japanese threat was such a serious one. As Australia is the leading British power in the Pacific and is the official British representative, politically and militarily, in the occupation forces in Japan, there are ample current reasons for the prominence given to Japanese news.

The news articles are sometimes attributed to unnamed special correspondents in Tokyo and in China, London, Washington and New York. Many of the items are, however, signed by name. The best known would appear to be Richard Hughes of the Melbourne "Herald". He is inclined to be flippant and critical but upon the occasion of the furore over the Anzac celebrations on Empire Day, he was careful to explain that no criticism should be levelled at the American authorities for that mix-up. G. S. Brown, K. V. Parish and John Ula also

appear

748.00119 Central (Japan)/6-947



- 2 -

Despatch No. 436.

Melbourne, Australia,  
June 9, 1947.

appear as "Herald" correspondents. Peter Russo is quoted from Hong Kong and China, Peter Gladwin is quoted from Moscow. A. V. Thomas and C. W. Green appear as representing the (Hobart) "Mercury". Miss Constance Duncan, a representative of UNRRA, while visiting Melbourne, gave an interview critical of the United States. Douglas Wilkie, a columnist on the (Melbourne) "Sun", comments frequently on the situation in Japan, but it is believed that his information is entirely second-hand. Neville Smith, a London correspondent is quoted for the Melbourne "Argus". Many items are simply headed "Australian Associated Press".

Australian comment is concerned particularly with the following points of view:

- (1) The inferior position of Australian representation, particularly their military forces, in comparison with that of the United States.
- (2) American-Soviet antagonism.
- (3) American demands for Pacific bases.
- (4) Australian demands for reparations.
- (5) Australian demands for a leading part in the peace settlement.
- (6) American predominance in present and future trade relations with Japan and China.

While the news articles which have appeared from time to time have carried a substantial load of anti-American criticism, they have not been followed up by important editorial comment in the papers concerned. It is also notable that the criticism is usually very guarded and occurs more in the headlines and in the inferences to be drawn than in specified facts stated. This is typically illustrated in the article enclosed.

It is also notable that a large measure of criticism is levelled at the Australian Government for not taking a stronger position, vis-a-vis the United States; (a) in the original agreement which provided that American military government officials would take precedence over British military personnel within the British Commonwealth zone; (b) in permitting the British Commonwealth Forces to be relegated to allegedly unimportant zones (some of the military feel very bitterly on this point); (c) in providing the Australian forces with inferior housing facilities, entertainment facilities, and currency exchange arrangements; (d) in permitting the United States a monopoly over the educational and cultural instruction of the Japanese; (e) in limiting British participation in Tokyo to an alleged token representation.

The newspaper correspondents since no words in criticising the Australian Government on these matters and at the same time vent a definite resentment against the United States for the alleged advantageous position and overwhelming importance attributed to the United States.

Beyond the criticism largely ascribed to weakness of the



- 3 -

Despatch No. 436.

Melbourne, Australia,  
June 9, 1947.

the Australian government, the resentment toward the United States expressed in these articles is continuing and slowly growing. Any item which can be construed as an indication of error by the United States, is made the most of and the feeling of antagonism toward the United States is definitely being built up. Since the local press is largely opposed to the present labor government, some of the criticism may reflect party and political criticism. Some of the criticism is probably also intended to arouse the public in support of Australia's position internationally as a spokesman of the South Pacific in general, and specifically as an official spokesman, in this area, for the whole British Empire.

The report that General MacArthur has said that the Japanese have undergone a miraculous change of manner and have become sincerely desirous of adopting the democratic way of life, is discussed in a doubtful tone and it is inferred that the American Administration is being taken for a ride by the Japanese.

The enclosed article reflects a provocative attitude toward the economic aspect of the Japanese situation and though conflicting opinions have appeared as to the desirability of renewing trade relations with Japan, there is no doubt that Australian businessmen are anxious to be in on the ground floor when normal trade relations are resumed. The fact that General MacArthur's Administration has so exclusively administered developments in Japan up to this point is used to lend emphasis to the fears of the Australian businessmen that the United States would, and already has, taken steps to ensure a monopoly control over future economic developments in Japan and throughout the Far East. The Consulate received a communication from an elderly business-man in Melbourne, bitterly criticising the United States as an anti-British factor in international trade in the Far East. Although this writer may be classed as a crank, he unquestionably expressed sentiments naturally suggested by the articles which have been appearing during the past months.

It is not believed that these articles have, as yet, greatly influenced important government or business entities in this area. Those government officials and business interests which have had direct relations with the American authorities in connection with military and economic developments in Japan and more influenced by their first-hand contacts and actual negotiations than by newspaper articles. None of these officials or businessmen have had much to say in the press. Nevertheless, as a matter of general policy, it might be advisable if the American administration in Japan could make public the facts which would set forth the true picture of the situation. The Consulate, for example, would be fortified in discussions when such subjects are brought up and the press should have access to material setting forth the other side of the question.

Respectfully yours,

Richard F. Boyce,  
American Consul General.

Enclosure:

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- 4 -

Despatch No. 436.

Melbourne, Australia,  
June 9, 1947.

## Enclosure:

Excerpts from the Melbourne and Hobart Press.

800

Richard F. Boyce/pto'h

## Disposition:

Original and hectograph to the Dept.  
Copy for the Embassy, Canberra.  
Copy for the Consulate General, Sydney.  
Copy for the office of the Political Advisor, Tokyo.

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Closure No. 1 to Despatch No. 486, dated June 9, 1947,  
from Melbourne, Australia, entitled "Australian  
Criticism of American Administration in Japan".

Excerpts from the Melbourne and Hobart Press.

Bickering between Russia, United States and United Kingdom  
on Far Eastern Commission given good publicity. Archon Ball,  
Dorevvariko, Acheson.

1. August 20, 1946.  
"Americans get best food" due to poor Australian staff  
work.
2. August 21, 1946. Herald. Richard Hughes.  
"The Americans on their part have realistically converted  
occupation into an annexation".
3. August 30, 1946. Herald Special Service, New York.  
"Berrigan criticizes alleged anti-Russian statements  
of MacArthur."
4. September 3, 1946. A.A.P. Washington.  
"State Department officials today charged General  
MacArthur with having launched on his own initiative  
an anti-communist campaign in Japan, in violation  
of American policy directives from President Truman".
5. September 5, 1946. Richard Hughes. Herald.  
"British forces at handicap in exchange vis-a-vis  
United States forces, and "cannot return the lavish  
hospitality ashore of their American hosts".
6. September 24, 1946. Richard Hughes.  
"The irresistible impression is that the Americans are  
doing everything, whilst the Australians and British  
are doing nothing - nothing that is, except make  
mistakes, gripe and scrounge shamefacedly from the  
Americans". "The Australian flag in Japan is cheap,  
tattered, second-hand Colonial model".
7. October 10, 1946. Herald John Uja.  
"If our stake in the Pacific is to be assured - and as  
the Empire's voice in Pacific affairs Australia's  
stake goes far beyond the notion of responsibility  
demanded by our seven millions, the Japanese must  
be given the opportunity to observe and assess the  
value of our way of life".
8. October 12, 1946. A.A.P. the Argus, from Tokyo  
The Liberal newspaper "Jiji" admonished readers in an  
editorial against substituting General MacArthur for  
Emperor Hirohito as an object of reverence.
9. October 17, 1946. A.A.P. New York, the Sun.  
Clash between Ball and Acheson re elections and alleged  
praise of Japanese democracy by MacArthur.
10. October 20, 1946. Special Correspondent in Tokyo, the Age.  
"Once again the Soviet member has placed on the agenda of  
the Allied Council

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ENCLOSURE No. 2 to Despatch No. 458, dated June 9, 1947, from Melbourne, Australia, entitled "Australian Criticisms of American Administration in Japan".

Council the kind of topic which turns the chairman (Mr. George Jackson, Jr.) into a bear guarding its cubs." "Mr. Jackson had had a hot ten days since the last meeting, which brought into sharp focus his continuing friction with Mr. Jackson".

11. November 5, 1946. Peter V. Russo, Argus from Hong Kong says Chinese give publicity to above. "U.S. policy in Japan perturbs Chinese - Danger of Japanese revival".
- November 16, 1946. A.F. Thomas, Mercury. speaks of "America's Iron Screen", and "Unless he is careful, MacArthur, because of his determination to keep Communism out of Japan may now nourish a dangerous reactionary element in his bosom which later will sting him badly".
12. November 27, 1946. Special Representative, The Age, London. Brigadier Fitzroy Maclean, U.S. delegate to Japan, commended developments though "at the moment Japan is quite frankly a United States out-post".
13. December 24, 1946. A.F. Thomas, Mercury, Hobart, Tasmania. Violently criticising President Truman and American policy in general, (1) our "race stigma", our "forcing of Britain to atrogate the Anglo-Japanese Treaty"; and our "regrettable immigration law", (2) President Truman's statement on the Chinese Civil War" is eloquent of the weakness and supineness - which we have come so to deplore in Far Eastern Affairs." "Already then the United States realizes that the strangle hold she had hoped to impose on China to American business advantage and the exclusion of Britain, Soviet and other nation's interests, is impossible".
14. January 15, 1947. The Argus Miss Constance Duncan, UNRRA liaison officer. "Result of American policy on British publications was that now few Japanese knew anything about British views on social and political developments in the world during the last 7 or 8 years".
15. Rotary Meeting, Melbourne. Professor J.S. Brown. "Does hopes for Japanese in new administration plan."
16. January 18, 1947. The Age, 'Special Correspondent' in Japan. "British Commonwealth prestige in Japan, in the eleven months since troops of the United Kingdom, Australia, New Zealand and India joined the Americans, who entered months before them, has suffered almost irreparably." This is said to be due to original agreement - specifically Clause 9, giving the United States the sole responsibility of military government even in British Commonwealth Occupation Forces zone. "The Japanese look upon the British Commonwealth Occupation Force component as an American mercenary force completely under the thumb of the American Military Government". "Everything, according to the Japanese, was and is due to the Americans - their defeat, their freedom, their protection from the revengeful

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ENCLOSURE No. 3 to Despatch No. 456, dated June 9, 1947  
from Melbourne, Australia, entitled "Australian  
Criticism of American Administration in Japan".

revengeful Britisher, their new education system  
and the fact that they are not starving".  
"General MacArthur himself is not anti-British,  
but some of his staff officers are".

17. February 1, 1947. Argus correspondent in China - Peter V.  
Russell.  
"Within 3 to 5 years Japan will have recaptured her  
prewar position in the Far Eastern markets, and by  
1951 she will have almost a world monopoly in silk.  
U.S.A.'s encouragement is objected to by the  
Chinese.
18. February 5, 1947. New York Age.  
"Occupation Plan not successful". "It is becoming  
increasingly clear that the occupation of Japan  
is not an unqualified success, not the least of the  
dangers to the United States --- is the growing  
power of the Communists".
19. February 6, 1947. Argus, London.  
"U.S.C.F. Unpopular in Japan".  
London Times Correspondent in Tokyo - "Because of  
the nature of their duties, British occupation  
forces in Japan are regarded in many Japanese  
quarters as oppressors, while the Americans are  
looked upon as liberators" - lays blame on Lieutenant  
General Northcote while U.S.C.F. commander who  
forbade fraternization.
20. February 10, 1947. Herald.  
"Trade Plan for Japan Under Fire".  
Reflects uncertainty and conflicting views on  
Australian wool deal.
21. February 13, 1947. AMP, London.  
"Britain's apparent readiness to leave everything  
in Japan to America is causing much dissatisfaction  
in Australia".
22. February 20, 1947. Mercury, O. . Green, in Japan.  
"U.S.C.F. in Japan 'The Forgotten Army'" writer  
complains about the inferior area allotted to  
U.S.C.F. in contrast to the better locations of the  
United States troops. Complains of inferior  
housing and recreation facilities provided the  
U.S.C.F. Complains against the rule prohibiting  
U.S.C.F. families in Japan. Complains against the  
rules prohibiting fraternization. Complains  
against the "secondary duty" given to the U.S.C.F.  
Australia looks for London's help in making her  
voice heard in the treaty negotiations. She does  
not seem to be another "forgotten ally" at the  
peace table.
23. March 3, 1947. Herald Special Service London Economist.  
"British support for Australia. Australia refuses  
to be side-tracked or ignored in her determinations  
to take a leading part in the peace settlement with  
Japan.

"Unfortunately

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Reference No. 4 to Despatch No. 436, dated June 9, 1947  
from Melbourne, Australia, entitled "Australian  
Criticism of American Administration in Japan".

"Unfortunately, the United States, conscious of its  
supreme power and preponderant role in the victory  
over Japan, has taken rather too much for granted  
that its navy must have whatever it wants, with-  
out any corresponding obligations on the other  
side.

24. March 21, 1947. Argus, Peter Gladwin - Moscow.  
"Australia's best chance of making sure of her  
proper place in framing the Japanese peace treaty  
is to see that she is appointed spokesman of the  
British Commonwealth on the Council of Foreign  
Ministers, when Far Eastern affairs are about to  
be discussed.
25. March 29, 1947. Age, Herald.  
Australia agrees to United States proposal for  
immediate trusteeship over former Japanese  
mandated islands.
26. March 31, 1947. Sydney.  
Charging the United States with boosting Japanese  
economy for her own trade expansion, the President  
of the Australian Legion of Ex-Servicemen (Mr. B.J.  
McDonald) has urged that a parliamentary delegate  
be sent immediately to Japan to investigate.
27. April 1, 1947. The Sun, Douglas Wilkie, Melbourne.  
Observations only - comments on criticism of  
American policy by Australian returned soldiers -  
said MacArthur was to blame, because of praise of  
Japanese progress.
28. April 5, 1947. Herald, G.S. Brown:  
favorable comment on American educational procedure  
in Japan.
29. April 9 and subsequent.  
Anzac Day Celebration. MacArthur defended and  
blamed. Hughes finally laid the rumor low.  
"U.C.C.F. authorities had again 'missed an  
opportunity' to show the Australian flag in  
circumstances admirably calculated to impress the  
Japanese" quoted General Whitney's statement in  
full.
30. April 12, 1947. Argus, Neville Smith, London.  
"Australia will have equal voice in Japanese peace  
treaty. Mr. MacMahon Hall's recent criticisms of  
General MacArthur's administration received  
fairly wide publicity here and were applauded on  
the ground that General MacArthur's independence  
of control either by his own government or by other  
belligerents should not go unnoted.

31 April 12,

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ENCLOSURE No. 5 to Despatch No. 436, dated June 9, 1947,  
from Melbourne, Australia, entitled "Australian  
Criticism of American Administration in Japan".

31. April 12, 1947. Herald, Richard Hughes.

"Japanese Fascism Emerges from its Lair" describes  
three new secret nationalist societies.

32. May 26, 1947. Herald, London.

"Australia is the likely scene of the British  
Commonwealth preliminary discussions on the  
Japanese peace treaty, and subsequently might  
even be the scene of the actual conference.  
Australia has suggested Canberra as the meeting  
place of the British Commonwealth delegates for an  
early preliminary run-over to consider Anglo-  
Commonwealth policy.

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UNITED STATES POLITICAL ADVISER FOR JAPAN

*RM/R*  
Central

PERSONAL AND CONFIDENTIAL

Tokyo, June 11, 1947

Dr. Hugh Borton, Chief,  
Division of Northeast Asian Affairs,  
Department of State,  
Washington, D. C.

①

Dear Hugh:

This will acknowledge your recent letter concerning the problem of clearance for Professor Woodbridge Bingham to visit Japan, Korea and Okinawa. Immediately upon receipt of your letter I discussed the matter with Colonel Nugent, Chief of C.I. & E., with G-1 (who are in charge of clearances), and with several other interested people. In response to my inquiry to C. I. & E., which was followed up by a "check sheet", I received a reply from Colonel Nugent as per enclosed copy.

I might say that the thinking in this Headquarters concerning entry of persons in Dr. Bingham's category is rather inflexible. The view is generally taken that the purchase of books does not necessarily increase cultural ties between the United States and Japan and that the presence in Japan of such persons would merely be a drain on the Occupation. This reasoning does not entirely make sense, but unfortunately we are faced with opinion that appears to be adamant on this subject. On the other hand, the very people who oppose the entry of Dr. Bingham have now come forward with a proposition whereby house guests would be allowed entry into Japan! We took advantage of the check sheet on the latter subject to point out the inconsistencies of the stated position and refused to concur until something is done to allow the entry of representatives of American universities, scientific and cultural organizations, important business representatives and individuals who have a legitimate reason for coming into Japan.

It would, of course, greatly assist in opening up the door if SWNNC would be more liberal in its policy in this regard. So long as a directive stares the SCAP staff in the face I fear little can be done and the liberalization must, in consequence, originate in Washington.

It might

DC/R
Attn: <i>18</i>
By: _____
Date: <i>6/11/47</i>

CS/S

This document must be returned to  
 740.00119 CONTROL  
 JAPAN/6-1147  
 740.00119 Control  
 Japan/6-1147



-2-

It might be of interest for you to know that Ambassador Stuart has written a personal letter to General MacArthur concerning Dr. Bingham's entry into Japan. While I have not seen the reply (prepared by G-1), it is my understanding that the answer is negative. Whether the C-in-C will actually sign the letter or not I do not as yet know.

If you have the time and inclination I would appreciate hearing from you and to learn how things are going since your return to the grind in Washington.

With kindest personal regards,

Sincerely yours,

*Bill*  
W. J. Sebald

P. S.

We are all extremely pleased at the Department's support in the whaling matter. I understand from George that the C-in-C was very happy to learn of the Department's position. This, of course, has enhanced our prestige somewhat with Headquarters as it appears to be in direct consequence of our telegrams that a favorable decision was made. I have already had the personal thanks of several Chiefs of Sections concerned for my share in following the thing through. Yet I feel sure that without your help we might have been left holding the bag!



COPY

From: Chief, CIE

To: DS

Date: 6 June 1947

1. CI&E knows of no provision or category of present theater policy which might be used to enable Professor Bingham to obtain clearance for a visit for the purpose stated in Note 1. The University of Washington, some time ago, requested clearance for its Chief Librarian for a similar purpose. The application was disapproved by the Chief of Staff. It was suggested at that time that the University of Washington submit a list of desired books to the United States Commercial Corporation, which agency would forward the list to this General Headquarters. Books which could be obtained from Japanese sources without appearing to deprive Japan unduly of critical education or cultural materials would be procured by an agency of this General Headquarters and sent to the United States Commercial Corporation which would deliver them to the University of Washington in exchange for dollars.
2. Because of the request of the University of Washington and numerous other requests received informally for clearance for the same purpose, it was decided that a representative of the Library of Congress would be granted clearance in order to make a survey of the situation on behalf of the Library of Congress and other interested agencies in the United States.
3. The Joint Chiefs of Staff have recently questioned the travel of certain Japanese to the United States, querying whether or not such travel is "necessary to the reorientation of the Japanese people." G-1 appears to take the attitude that visits of persons to Japan should be in the interests of reorientation of the Japanese people or economic improvement of the country. The paper referred to in paragraph 1, while titled "Exchange of Persons," is believed to deal almost entirely with travel of Japanese abroad. There has been little or no discussion, so far as is known to the undersigned, on the subject of travel to Japan by persons of other countries (other than traders). Since similar requests are likely to be made in the future, and in increasing numbers, this Section would be glad to participate in a discussion with all interested agencies of this General Headquarters of the whole problem of the clearance of persons in the category under which Professor Bingham falls.

-----D. R. N.-----

CONFIDENTIAL



July 17

Meeting ad-  
journed in two  
minutes for lack  
of any topic on  
the agenda. I under-  
stood the same thing  
happened at the  
following meeting.





UNITED STATES POLITICAL ADVISER FOR JAPAN

OFFICE Tokyo, June 12, 1947.

OF EUROPEAN AFFAIRS MESSAGE CENTER

RESTRICTED

No. 1109

1947 AUG 8 PM 4 09

DEPARTMENT OF STATE

DIVISION OF MIDDLE EASTERN AND INDIAN AFFAIRS

DEPARTMENT OF STATE

SUBJECT: Thirty-fourth Meeting of the Allied Council for Japan, June 11, 1947.

DIVISION OF NORTHEAST ASIAN AFFAIRS

JUL 3-1947

The United States Political Adviser has the honor to refer to this Mission's despatch No. 1083, June 2, 1947, and to previous correspondence in regard to meetings of the Allied Council for Japan, and to forward as enclosures five copies each of the Agenda and Corrected Verbatim Minutes of the Thirty-fourth Meeting of the Council held on June 11, 1947.

As there were no procedural matters and no official matters on the Agenda, there was no discussion and the meeting adjourned after approval of the minutes of the thirty-third meeting.

ACTION COPIES TO: BC EE NEA

Enclosures:

- 1. Five Copies of Agenda, Thirty-fourth Meeting.
2. Five Copies of Corrected Verbatim Minutes, Thirty-fourth Meeting.

Original and original to Department.

- Copies to: American Embassy, London.
American Embassy, Nanking.
American Embassy, Moscow.
American Embassy, Canberra.
American Embassy, New Delhi.
American Legation, Wellington.

500 WJSebald:lh

Routing slip with fields for To, From, and Distribution, including handwritten initials 've' and a checkmark.

740.00119 CONTROL (JAPAN) /6-1247

RECEIVED DEPARTMENT OF STATE

AUG 20 1947

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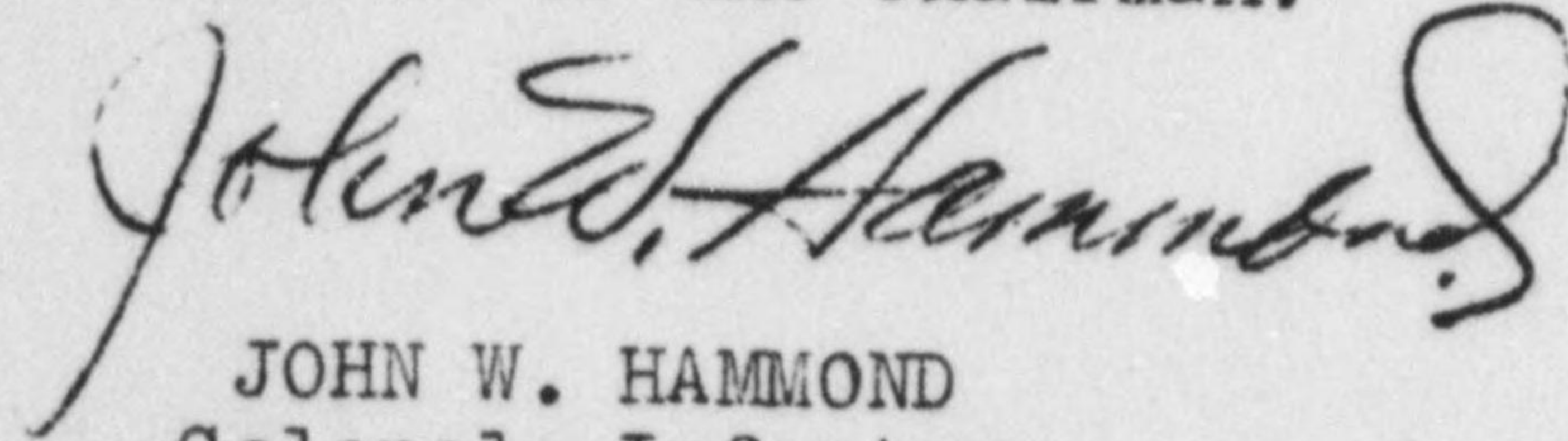
34-611

AGENDA  
for the  
THIRTY-FOURTH MEETING  
ALLIED COUNCIL FOR JAPAN

To be held in the Meiji Building, Tokyo,  
Wednesday, 11 June 1947, at 1000 Hours

- I APPROVAL OF THE CORRECTED VERBATIM MINUTES OF THE  
THIRTY-THIRD MEETING (1 Session, Numbered 33-528).
- II PROCEDURAL MATTERS  
None held over or submitted as subjects for this Agenda.
- III OFFICIAL MATTERS  
None held over or submitted as subjects for this Agenda.

By Direction of the Chairman:



JOHN W. HAMMOND  
Colonel, Infantry  
Acting Secretary-General

6 June 1947



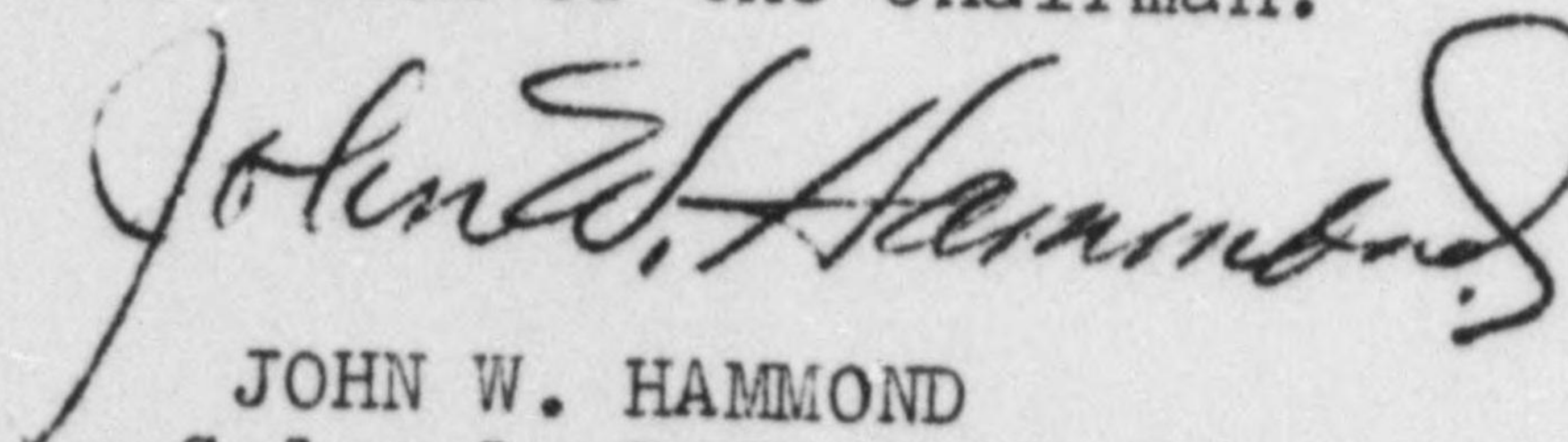
34-611

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By Direction of the Chairman:



JOHN W. HAMMOND  
Colonel, Infantry  
Acting Secretary-General

6 June 1947



34-611

CORRECTED  
VERBATIM MINUTES  
of the  
THIRTY-FOURTH MEETING  
ALLIED COUNCIL FOR JAPAN

Meiji Building, Tokyo, Wednesday, 11 June 1947, at 1000 Hours

MEMBERS PRESENT

The Honorable George Atcheson, Jr., Deputy for the Supreme  
Commander, Chairman, and Member for the United States

His Excellency, General Shang Chen, Member for China

The Honorable W. Macmahon Ball, Member representing jointly  
the United Kingdom, Australia, New Zealand and India

Lieutenant General Kuzma N. Derevyanko, Member for the Union  
of Soviet Socialist Republics

ACTING  
SECRETARY-GENERAL

John W. Hammond  
Colonel, Infantry

Office of the Secretariat  
Allied Council for Japan  
11 June 1947



THE CHAIRMAN: The meeting will please come to order.

It looks as if we would have a rather short meeting this morning. The Minutes of the Thirty-third Meeting were circulated among the Members for correction. In the absence of objection (Pause) they will be recorded as approved.

Are there any procedural matters? (Pause).

There are no official matters on the agenda. The meeting will therefore be concluded, and we shall adjourn.

(The meeting adjourned at 1002 Hours).



34-611

CORRECTED  
VERBATIM MINUTES  
of the  
THIRTY-FOURTH MEETING  
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Meiji Building, Tokyo, Wednesday, 11 June 1947, at 1000 Hours

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11 June 1947



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Form DS-302  
(7-2-46)

DIVISION OF  
COMMUNICATIONS AND RECORDS  
TELEGRAPH BRANCH

DEPARTMENT OF STATE  
INCOMING TELEGRAM

ACTION COPY

1-D

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Action: ~~N&A~~  
Info:  
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Control 4692

Res'd June 13, 1947  
7:11 p.m.

DIVISION OF MIDDLE  
EASTERN AND INDIAN AFFAIRS

FROM: Tokyo  
TO: Secretary of State  
NO: 157, June 13

DEPARTMENT OF STATE

PRIORITY

FROM SCAP (POLAD) TO STATE DEPT INFO WDOSA CX 53348.

Jain, Indian political representative here, informs us that he will soon be replaced by Sir Rama Rau, ICS, presently chairman Bombay Port Trust, with rank of Ambassador. Assume Dept perceives no objection. Change in representatives confidential until announced.

ATCHESON

DM:JSP

*JUN 14 1947*  
*Scap (Polad)*  
*Tel To T.K.40 (ww): 6/16/47*

740.00119 CONTROL (JAPAN) SECRET FILE  
/6-1347

JUN 23 1947

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SECRET

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# INCOMING AIRGRAM

DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH

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DIVISION OF  
NORTHEAST ASIAN AFFAIRS

JUN 26 1947

DEPARTMENT OF STATE 3513

Office of  
FAR EASTERN AFFAIRS  
JUN 23 1947  
Department of State

FROM

LONDON

DATED June 13, 1947

RECD. June 23, 1947  
8:12 a.m.

UNCLASSIFIED

Secretary of State

Washington

A-1392, June 13, 1947

DIVISION OF  
NORTHEAST ASIAN AFFAIRS  
JUN 23 1947  
DEPARTMENT OF STATE

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INFO:  
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Following questions and answers on subject of British policy toward Japan exchanged in House of Commons on June 11, 1947:-

Mr. Rees-Williams (Labor M.P. for Croydon, South) asked the Secretary of State for Foreign Affairs what steps he is taking, through our representative on the Allied Council, to assist the new Japanese Ministry in putting into practice the announcement by Mr. Chozaburo Mizutani, Minister of Commerce, that the policies of the British Labour Party will form the basis of his own party's political philosophy.

Mr. Bevin (Secretary of State for Foreign Affairs): "The function of the Allied Council is to advise the Supreme Commander for the Allied Powers, not the Japanese Government. It is the responsibility of the Supreme Commander to ensure that Japan fulfils her obligations under the Terms of Surrender, but not to intervene in matters of Japanese internal politics except in so far as intervention may be necessary in order to secure the objectives of the occupation.

I am not, therefore, contemplating taking action on the lines envisaged by my hon. Friend.

However/

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740.00119 CONTROL (JAPAN)/6-1347

AUG 22 1947

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Airgram 1392  
June 13, 1947  
from London

Page 2.

However, it is the policy of His Majesty's Government always to make information available to progressive forces in other countries who look towards this country for an example. The Head of the United Kingdom Liaison Mission in Tokyo is kept fully supplied with material illustrating the trends and policies of social development in this country. He is able to make effective use of this material through his information officers."

Mr. Rees-Williams: "In view of the fact that the Supreme Commander in Japan is an Allied Commander and not an American Commander, and in view of the fact that we are responsible for what is happening in Japan, would it not be a good thing for our representative there to make the feelings of the people of this country quite clearly known to the Japanese Government?"

Mr. Bevin: "I think we are doing that, but that is a different thing from intervention."

GALLMAN

Copy to U.S. Political Adviser, SCAP, Tokyo

EPDrumright/wg



FORM DS-32:  
7-18-46

# OUTGOING TELEGRAM

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Charge Department:

Charge to

4624

## Department of State

Washington

~~SECRET~~

JUN 19 1947

*noon*

Supreme Commander for the Allied Powers

TOKYO

224

Info: War Dept. Chief of Staff

For Political Adviser

DEPT has no objection (URTEL 157 June 13) appointment  
Sir Rama Rau.

*UP  
740.00119 Control  
(Japan)  
6-1347*

*Marshall  
(R&T)*

740.00119 CONTROL (JAPAN) / 6-1347

TELEGRAPH  
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NA (by phone  
Mr. Allison 6/17)

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JUN 18 1947

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*740.00119 Control  
(Japan) / 6-1347*



Form DS-302  
(7-2-46)

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Control 5072

Rec'd June 15, 1947  
9:06 a.m.

FROM: Tokyo  
TO: Secretary of State  
NO: 158, June 15

DIVISION OF

NORTHEAST ASIAN AFFAIRS

*Let be drafted 7/2/47*  
JUN 16 1947

DEPARTMENT OF STATE

PRIORITY

FROM CINCPAC TO STATE DEPARTMENT (FOR THE SECRETARY AND ASSISTANT SECRETARY HILLDRING) CITE C53370.

Part One. Wire services are carrying charges against American occupation authorities by Soviet delegate Vladimir Koretsky at June 14 session United Nations Committee for International Bill of Rights. Koretsky reportedly charged that "American-controlled Japanese Government is closing its eyes to Fascist activities in this country;" that "old Japanese military clique remains in power and is arresting political leaders and militarists;" and that "no modification of the feudal landlord system has yet taken place in Japan." No mention is made refutation these charges either by American delegate or any American Government spokesman. It is strongly felt in highest circles here that such refutation should be made by some Government agency citing facts to counteract what appears to be first Soviet attempt to make open charges against American occupation before United Nations group. Allegations in question are entirely groundless and false. They are a repetition of Soviet propaganda line which has long been familiar to us in Japan.

Part Two. Since earliest days of occupation we have been attacked by Soviet press and other sources with similar empty charges. Allied Council for Japan, set up as an advisory body to give Supreme Commander constructive advice, has often been improperly used as a sounding board for this kind unproven and unprovable propaganda. The Khabarovsk radio beams five broadcasts daily to Japan

carrying

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740.00119 CONTROL (JAPAN)/6-1547

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JUN 15 1947

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## CONFIDENTIAL

-2- # 158, June 15, from Tokyo

carrying anti-American, anti-occupation and Communist propaganda. Four of these broadcasts are in Japanese language and one in English. We do not know purpose of the English language broadcasts unless designed, with hope as false as the charges themselves, to affect morale of our young American soldiers here who are setting splendid example to Japanese population by their democratic conduct.

As result of closest surveillance we know that the only false activities in this country are those being conducted by the Japanese Communist Party. The Communists recently launched a widespread underground campaign to expand their organization and develop and coordinate with it an organization of extreme Rightist elements. Latter have been sought by the Communists among repatriated Japanese officers and soldiers.

Even for propaganda purposes it is difficult to see how Koretsky could expect allegation concerning "feudal land-lord system" to stand light of day. Striking at roots of feudalism, agrarian reform was got under way October 1946 to enable some two million tenant-farmers to purchase the lands they now work. Shaped to break down large landholdings into two and one-half to 10-acre parcels, this program involves transfer of ownership of from four and one-half to five million acres. It is two-year program gradually increasing in momentum and by early March 1948, two and one-half million acres will have been transferred to farmer ownership.

The threatened but abortive general strike set for February 1 was organized by Communist elements. Notwithstanding, strike would have restricted electricity, coal, food and transportation, water and sanitary services and would have thrown the unstable Japanese economy into chaos, neither SCAP nor Japanese authorities took any action against the leaders other than General MacArthur's oral prohibition of the strike. There has been no police interference with labor

or political

CONFIDENTIAL



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-3- #158, June 15, from Tokyo

or political demonstrators except in the case of individuals who have turned to open violence. May Day demonstrations in which approximately one million Japanese participated were conducted without police or other interference.

Part three. As Koretsky's attacks may constitute opening of campaign in United Nations Organizations which we cannot readily answer here on basis of fragmentary news reports, we urge that State and War Departments adopt appropriate means of meeting false Soviet and other propaganda against the occupation.

ATCHESON

LMS:EMB

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FORM DS-322  
7-18-46

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Department of State

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Charge to

Washington

2804

SUPREME COMMANDER FOR THE ALLIED POWERS

TOKYO

INFO WAR DEPT CHIEF OF STAFF  
268  
FOR POLITICAL ADVISER

JUL 11 1947  
6 PM

740.00119 Control  
(Japan) / 6-1547

740.00119 CONTROL (JAPAN) / 6-1547

*log ref*

DEPT has made extensive investigation of circumstances surrounding charge made by USSR delegate Koretsky at June 14 session United Nations Committee for International Bill of Rights as reported in URTEL 158, June 15. It has only recently been possible to obtain direct statements from members of delegation who were present at meeting in New York. From their testimony it appears that regarding Japan statement made by Koretsky occupied not more than 5 minutes of long tirade which lasted approximately one hour. Official summary record of proceedings devote approximately 3 1/2 pages to speech of Koretsky of which only 8 1/2 lines are occupied with his remarks on Japan. Koretsky's whole statement, including that part referring to Japan, was so intemperate that American delegation at meeting felt it was more dignified to ignore the charges made rather than to give them prominence by making an answer.

DEPT is developing mechanism for furnishing US delegations on various UN commissions with information about US policies and administration in Japan which

will

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FORM DS-322  
7-18-46

# OUTGOING TELEGRAM

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Charge to

## Department of State

Washington

**CONFIDENTIAL**

- 2 -

will make it possible for immediate answers to be given to unjustified criticism when this appears to be warranted.

*Marshall*  
(JcV)  
111

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NA:JMallison/pm  
7/2/47

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JUL 21 1947 P.M.





UNITED STATES POLITICAL ADVISER FOR JAPAN

Tokyo, June 16, 1947

UNCLASSIFIED

NO. 1113

DIVISION OF NORTHEAST ASIAN AFFAIRS  
JUL 3-1947  
DEPARTMENT OF STATE

SUBJECT: Article for Chuo Konon (The Central Review).

740.00119 CONTROL (JAPAN) /6-1647

The Honorable  
The Secretary of State,  
Washington.

Sir:

In accordance with standing instructions, I have the honor to enclose the English text of an article which I have prepared for the July 1947 issue of Chuo Konon (The Central Review), at the request of the editor, to be published in the Japanese language. Chuo Konon is a well-known monthly magazine with "middle-of-the-road" policies. The text has the concurrence of General MacArthur.

The first six paragraphs of the text are almost identical with portions of the proposed statement communicated to the Department by our telegram No. 129, May 17, which portions were approved by the Department's telegram No. 184, May 22, 6 P. M.

The succeeding three paragraphs contain quotations from the Initial United States Post-Surrender Policy for Japan. The final paragraph is similar in language to statements I have made before the Allied Council.

Respectfully yours,

*George Acheson, Jr.*  
George Acheson, Jr.

Enclosure: *AT*  
English Text of Article  
for Chuo Konon.

Original and hectograph to Department

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Gatcheson, Jr.;mm;dph

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740.00119 Control  
Japan/6-1647

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Enclosure No. 1 to despatch No. 1113, dated June 16, 1947 from the United States Political Adviser for Japan, Tokyo, on the subject: "Article for Chuo Konon (The Central Review)".

Article for Chuo Konon to be published in the Japanese language.

ARTER TWENTY-TWO MONTHS OF OCCUPATION

By Ambassador George Atcheson, Jr.  
Chairman of the Allied Council for Japan.

Under the wise and enlightened leadership and direction of General MacArthur, the Occupation of Japan has been the most beneficent in history. Now after twenty-two months of Occupation, if the Japanese people take stock of themselves--of the losses which they have suffered through the disastrous acts of their brutal and cynical leaders--and of the gains and blessings which have come upon them consequent upon defeat, what do they find?

These things among others the Japanese people have lost: The gigantic military machine of some 6-1/2 million armed men whose cost bound them to low standards of living. Thousands of military and civil aircraft, millions of weapons, vast quantities of ammunition--all produced at an untold cost in treasure and toil. The navy which exacted a huge toll from the taxpayer and every element of Japanese industry utilized for the unprofitable making of implements of war. The vast accumulation of wealth which was centered in Manchuria and other parts of occupied China, North Korea, Sakhalin and the Kuriles--principally industrial plants and other institutions whose economic value was almost entirely geared to war and aggression. The cost to the Japanese people of war-making has never been compiled. In 1944-45 the budget for the military alone amounted to 83% of the Government's expenditures; that almost unbearable burden on their lives has been lost to the Japanese people. With their feet set on paths of peace, the Japanese people have lost the spirit of aggression--it is hoped forever. The policies of their leaders brought upon the Japanese people great economic destruction and endowed them only with hardship and suffering. Prosperity and comfort have been lost to them for the time being--but not the prospect of a peaceful economic security whose benefits will be more widely distributed than before as they continue to erect a new structure of peace-time livelihood.

What have the Japanese people gained through defeat and liberation?

The masses are no longer regimented, the people are no longer enslaved. The common man no longer cringes in the presence of police or other public authority. His home has become his castle, free from unwarranted intrusion, observation or violence. He worships as he chooses and, as each day passes, more and more Japanese are turning to the Christian faith whose essential precept for the conduct of men is the Golden Rule. He freely registers his opinion on public issues. He enjoys the right of assembly and petition. He enjoys the right, individually or collectively, to demand correction of unjust labor practices and conditions. His children, 18 million of whom have been returned to school,

enjoy the



Page No. 2

Enclosure No. 1 to Tokyo's Despatch No. 1113

June 16, 1947

enjoy the right to liberal and free education. Long and effective strides have been made in reshaping the Japanese Government to conform to the principles inherent in a democratic state so that the people may readjust their lives to compose a truly democratic society. Designed effectively to curb abuse of power by individual, class or government, the new Constitution places sovereignty in the hands of the people upon whom it bestows a full measure of human freedom. Electoral discrimination has been removed and the basic franchise has been extended by the granting of suffrage to women and reducing the voting age. Reform has been instituted in every element and echelon of the governmental structure and in every phase of governmental administrative procedure, to root out the evils of entrenched bureaucracy which helped lead to totalitarian controls. Those who preached the doctrine of militarism, expansionism and intense nationalism, and shaped the policies responsible for Japan's unholy venture of aggression have been barred from governmental service to make way for new leadership. The restriction of free enterprise, made possible by alliance between government and concentrated wealth, has been inexorably removed. Under the agrarian reform program, some two million tenant-farmers are being enabled to purchase the lands they now work.

Most vital of all, the Japanese have acquired the essential framework for democracy. It will be the task of the Japanese to complete and improve the structure and to keep it in repair. The future of the Japanese rests largely upon themselves--to retrogress into regimentation (of the Right or Left) or to make further progress in the development of democracy and its integration into Japanese life.

Except for the dispossessed lords of war and wealth, there are few Japanese who will not say that the gains to Japan immeasurably outweigh the losses.

The United States Initial Post-Surrender Policy for Japan, made public by the White House September 22, 1945, states in part as follows: "The policies of Japan have brought down upon the people great economic destruction and confronted them with the prospect of economic difficulty and suffering. The plight of Japan is the direct outcome of its own behavior, and the Allies will not undertake the burden of repairing the damage. It can be repaired only if the Japanese people renounce all military aims and apply themselves diligently and with single purpose to the ways of peaceful living. It will be necessary for them to undertake physical reconstruction, deeply to reform the nature and direction of their economic activities and institutions, and to find useful employment for their people along lines adapted to and devoted to peace. The Allies have no intention of imposing conditions which would prevent the accomplishment of these tasks in due time...

"The Japanese authorities will be expected...to maintain, develop and enforce programs that serve the following purposes: to avoid acute economic distress; to assure just and impartial distribution of available supplies;...and to facilitate the restoration of Japanese economy so that the reasonable peaceful requirements of the population can be satisfied...

"The Japanese



Page No. 3

Enclosure No. 1 to Tokyo's Despatch No. 1113

June 16, 1947

"The Japanese authorities on their own responsibility shall be permitted to establish and administer control over economic activities, including essential national public services, finance, banking, and production and distribution of essential commodities, subject to the approval and review of the Supreme Commander in order to assure their conformity with the objectives of the occupation."

It is not generally realized that the Japanese people have more food, better clothing and more adequate shelter, heat and light than the peoples of Germany, Poland and most Continental European countries. This fact does not of course lessen Japan's present economic plight or the hardships which will continue to face the Japanese people for some time to come. I believe, however, that the turning point has been reached. The new Government's economic program is encouraging. It will be tested in the crucible of experience. It will be effective if it is pushed vigorously and given the wholehearted support and cooperation of all the Japanese people. Japan is being reopened to private international trade and it is to be expected that within a few months Japanese exports will be exchanged for an ever-increasing volume of raw materials and other vitally needed imports. The United States wishes to see Japan on a self-supporting basis as soon as possible. The United States has endeavored to assist in the maintenance and rehabilitation of Japanese economy so that the peace-time needs of the population could be met. The United States has imported food, cotton, petroleum and other necessary articles costing hundreds of millions of American dollars. This has in effect constituted an extension of credit to Japan. In addition to continued official assistance, there is now excellent prospect that Japanese industrialists will soon have the assistance of private American capital and credit. The road will still be hard and long. Success will require the concerted efforts of all Japanese--the economic authorities who now represent the people and the people themselves in all walks of life in the factories, in the banks and business houses and on the farms. The Japanese are among the most industrious and diligent people in the world and I am confident that they can look hopefully to the future.

*(as noted by  
those who  
continued to  
print out)*







STANDARD FORM NO. 64

8

T-300

# Office Memorandum • UNITED STATES GOVERNMENT

TO : A-H/SJK

DATE: June 18, 1947

FROM : JK - Mr. Whitman

*RJW*

SUBJECT: Treatment of United Nations' Property in Japan.

The attached draft cable is in reply to C-52535, CM IN 1825, dated 10 May 1947 from SCAP, which contained his comments on SWNCC 357, dealing with the treatment of United Nations' property in Japan. Principal criticism of SWNCC 357 by SCAP was that the Japanese economy would be unduly burdened if compensation for losses to United Nations' property were to be paid at the present time. SCAP also furnished some additional information, indicating that the amount of United Nations' property in Japan, and the extent of damage thereto, is greater than previous estimates. In the light of these recommendations, it is proposed to amend SWNCC 357 to provide that the payment of compensation may be postponed at the discretion of SCAP if he regards such action as necessary for the objectives of the occupation.

SCAP further recommended that the provisions of the paper affording compensation to yen claimants for depreciation in the yen, be deleted on the grounds that such payment would be too burdensome to the Japanese economy. The attached cable concurs in this recommendation with the exception of yen bank accounts which arose out of the forced sale of United Nations' property. In these cases, it is considered that the Claims Tribunal should have discretion in awarding additional compensation to take account of depreciation of the yen.

It is recommended that the attached cable be dispatched through CAD.

740 00119 Central (Japan) / 6-1847

*ajm RJW*  
JK:OJMcDiard:mw

*ESP*

*RAF*  
NA

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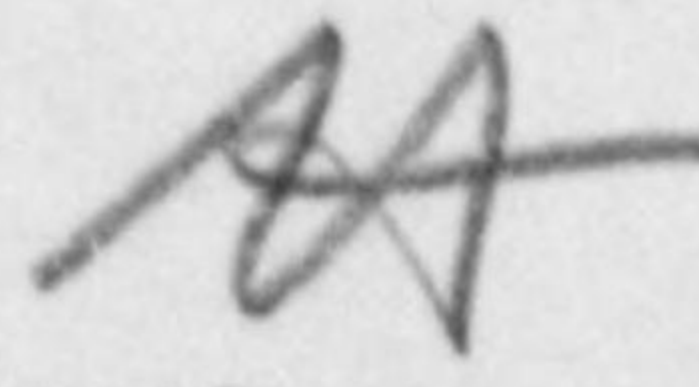
DEPARTMENT OF STATE  
THE SECRETARY

July 7, 1947

Mr. Secretary:

Attached is a copy of a letter which Mr. George Atcheson dispatched to the President on the situation in Japan. The original was sent by Mr. Atcheson direct to the White House.

Copies of this letter are being shown to appropriate officials in the Department.



Humelsine

*voted  
GEM*

Attachment:  
Personal and confidential letter of June 19, 1947 from Mr. George Atcheson, Jr., with enclosure.

*FW 7110.00119 Contact (Japan) 7-6-1947*





UNITED STATES POLITICAL ADVISER FOR JAPAN

Japan III

S/S-R



Tokyo, June 19, 1947.

Personal and confidential.

Dear Mr. Secretary:

I enclose a copy of a letter of identic date addressed to the President making report on the current situation, principally economic, as we see it here. For the future, I believe that the ultimate success of the Occupation will depend to a great extent upon economic factors.

I have not entered into any discussion of the question of formulating the peace. As you may know, the Australian Foreign Minister, Mr. Evatt, is planning to visit General MacArthur about July 6. This visit is being made at Mr. Evatt's instance and as it will occur not long before the British Commonwealth conference at Canberra, we assume that Mr. Evatt's primary purpose is to discuss plans for a peace treaty. While some exchange of ideas in broad outline may be inevitable, we propose to confine ourselves chiefly to listening. In the absence of instructions, I myself shall remain outside of any discussions so far as possible.

General George C. Marshall,  
Secretary of State,  
Washington, D. C.

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DEPARTMENT OF STATE  
JUL 2 1947

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OFFICE  
THE SECRETARY  
DEPARTMENT OF STATE

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740.00119 CONTROL (JAPAN)  
/6-1947

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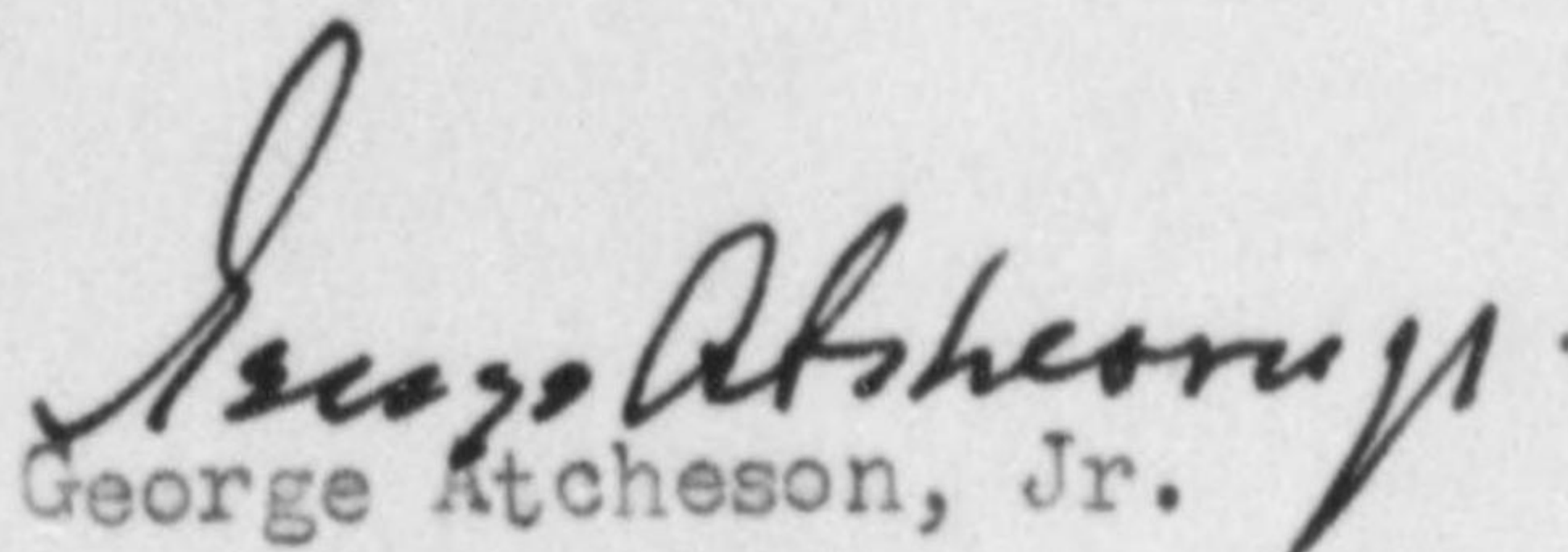
740.00119 Control Japan  
6/19/47



- 2 -

My British colleague has several times indicated to me that he is without instructions as regards United Kingdom plans in connection with the Canberra conference--which leads to the assumption that the British are leaving leadership in the matter to the Australians.

Sincerely yours,

  
George Atcheson, Jr.

Enclosure:

Letter to President Truman.



Tokyo, June 19, 1947.

Personal and confidential.

Dear Mr. President:

We have been encouraged by recent statements of American officials at home reflecting growing interest in the development of a peace-time Japanese economy and in the question of formulating the peace. How long it will take Japan to become self-supporting no one can say. Even under the best of circumstances and with considerable foreign assistance—official and private—the Japanese will meet serious difficulties in re-vamping their shattered economy. Whether we like it or not, Japan is at present an economic responsibility of the United States and it is to our interest to assist in the process of getting the country on at least a minimum self-supporting basis. The partial reopening of Japan to private trade on August 15 will start a process which should be productive of good results in due course. Plans are under consideration for the setting up  
of

The President,  
The White House,  
Washington.



- 2 -

of some kind of self-liquidating revolving fund to finance the import of raw materials necessary for the manufacture of consumer goods to pay for necessary imports. Materialization of such plan will be of great help.

Defeat left Japan with an unbalanced and broken economy cut off from the Asiatic mainland with which it had become integrated. There was little left. Industry lacked workers and raw materials and was at a standstill. Even before the war the Japanese had to import some 15 per cent of their food. After 21 months of occupation, industry has now inched its way toward recovery only some 30 per cent of the 1930-34 level. Lack of coal limits all industrial output including manufacture of needed coal-mining machinery. The rayon industry has come almost to a standstill. Cotton yarn output is about five per cent of 1937. Silk is only one-sixth pre-war and exports meet with poor sales because of the competition of synthetics.

The development of the labor movement has been one of the greatest democratization processes in this country and has resulted in raising the cost of labor to the British level. This means that Japan will not be able to flood foreign markets with cheap goods. This of course is a good thing in the eyes of many foreign competitors, especially textile manufacturers, but it is  
also



- 3 -

also an important factor which will militate against rapid economic recovery here.

Definitive settlement of reparations will give Japanese industry a considerable impetus, especially if ready means are found of financing the importation of raw materials. Conversely, some foreign claimants are unfortunately going to be disappointed in what they get and there are indications of resentment which is creating opposition to the recovery of Japanese economy to peace-time needs. Due to obsolescence, deterioration and other factors the available internal assets may not reach a roughly estimated basic value of more than US \$625,000,000, with the estimated market value about one-fifth of that figure. While the external assets in Northern Korea, Manchuria and formerly occupied China and Formosa had a locally estimated value of US \$27,000,000,000, I am afraid that the Chinese and others will not let that circumstance modify their resentment against us--and against Japan--in the matter.

The new Japanese Cabinet has published its economic program and we are hopeful that it will have definitely good results in time. Meanwhile the dependents of our Occupation population are increasing with the constant addition of several hundred a month. This means that we are taking more and more houses, furniture, etc. from the middle class Japanese. In Tokyo we have taken

most



- 4 -

most of the houses suitable under Occidental standards except those belonging to active Japanese Government officials. There is no question that the burden on the Japanese economy is increasing, and cannot be readily absorbed in an inflationary situation characterized by lack of goods and resulting black market control of supplies.

I believe we are coming to a turning point in the Occupation. General MacArthur has remarked to me several times that there inevitably comes a time when a military occupation no longer serves its purpose and becomes a deterrent to its own objectives. We have not yet, of course, reached that stage. But there are signs that it is approaching.

Recent remarks of the new Foreign Minister (Ashida) indicating that the Japanese wish the return of the southern Kuriles and Okinawa have caused an easily understood resentment in some foreign quarters. We do not believe Ashida speaks in this matter for the Japanese masses or even the Japanese Government. It seems to us here that retention by the United States of Okinawa (under the aegis of the United Nations or otherwise) is an essential to the maintenance of our future influence in this general area. Okinawa is of no economic value to Japan; on the contrary it was an economic liability. To us it is the  
western

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STANDARD FORM NO. 64

**SECRET**

**Office Memorandum • UNITED STATES GOVERNMENT**

TO : OFD - Mr. Ness  
FROM : ESP - Mr. Martin, Acting Director  
SUBJECT:

Classification approved by: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 DATE: June 20, 1947

*file*

*x R 740.00119  
Control  
(Korea)*

It is my understanding that you requested, some time ago, information on the amount of appropriated funds expended in Japan and Korea from the beginning of the occupation to the end of 1946.

The attached data received from the War Department may provide the information you need.

*FILE M-2.1/5*

740.00119-CONTROL (JAPAN) / 6-2047

CS/W  
FILED  
MAY 4 1956

DIVISION OF FINANCIAL AFFAIRS  
*FH files*  
JUN 25 1947  
DEPARTMENT OF STATE

OFFICE OF FINANCIAL AND DEVELOPMENT POLICY  
JUN 24 1947  
DEPARTMENT OF STATE

JK:RHFisher:el

DC/R
By: <i>y</i>
at: <i>wh</i>

**SECRET**

*740.00119 Control  
(Japan) / 6-2047*



**SECRET**

C  
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Y

The Honorable J. H. Hilldring  
The Assistant Secretary of State  
For Occupied Areas,  
Department of State.

My dear General Hilldring,

In reply to your request of 19 February, a table is attached, showing the estimated cost to the War Department for occupation of Japan and Korea from V-J Day through 31 December 1946. For this period of approximately 1 1/3 years, the cost for the two countries combined was slightly in excess of one billion dollars. The included data contain somewhat more than the calendar year requested. During the first four months of the occupation, (September-December 1945), shipments of civilian supplies amounted to less than one million dollars for Japan and Korea combined. Other costs of occupation during these early months are not available, but are probably relatively small.

The data shown are the best estimates available at the present time, but are not to be construed as the final authoritative figure on costs of occupation. They are subject to the following limitations:

1. Army costs in the Ryukyus are not included herein.
2. Costs cover War Department only. All expenses of the Navy Department, or any other executive department are separate and to be added hereto.
3. Costs cover those chargeable to War Department appropriated funds, both through the regular War Department appropriations and the appropriation, "Government and Relief in Occupied Areas".
4. Only direct costs are included. Indirect costs, such as the maintenance of staff, administrative and service headquarters in the Zone of the Interior are not included; nor are any of the costs of depreciation and obsolescence of equipment used by U.S. Army included.
5. Costs of raw cotton supplied by U.S. Commercial Company on a reimbursable basis are not included.

Sincerely yours,

DANIEL NOCE  
Major General, GSC  
Chief, Civil Affairs Division

1 Incl:  
As stated.

**SECRET**



**SECRET****COPY**

**ESTIMATE OF APPROPRIATED FUNDS EXPENDED BY THE WAR DEPARTMENT  
IN JAPAN AND KOREA**

**BEGINNING OF OCCUPATION THROUGH 31 DECEMBER 1946**

<u>Item</u>	<u>Total</u>	<u>Japan</u>	<u>Korea</u>
<u>Total</u>	<u>\$ 1,049,972,000</u>	<u>\$ 828,030,000</u>	<u>\$ 221,942,000</u>
1. Civilian Supplies	<u>286,056,000</u>	<u>234,021,000</u>	<u>52,035,000</u>
a. Shipped from U.S.	195,992,000	153,848,000	42,144,000
b. Transferred from Military Stocks	79,064,000	70,173,000	8,891,000
c. Other Sources	11,000,000	10,000,000	1,000,000
2. Civilian Employees	<u>15,459,000</u>	<u>13,649,000</u>	<u>1,810,000</u>
a. Pay	14,053,000	12,408,000	1,645,010
b. Travel	1,406,000	1,241,000	165,000
3. Cost of Occupation and Military Govt Troops	<u>748,457,000</u>	<u>580,360,000</u>	<u>168,097,000</u>
a. Pay and Allowance of the Army	338,370,000	260,299,000	78,071,000
b. Subsistence and Maintenance of the Army	410,087,000	320,061,000	90,026,000
4. Estimated Average Cost per Man (Army) for Subsistence and Maintenance is \$1,500 per year.			

- SOURCES** - Civilian Supplies shipped from U.S. - Section 4F of Service Supply and Procurement Division Progress Report. Theater diversions from Japan to Korea, are estimated at \$20,000,000 and above figures have been so adjusted.
- Transferred from Military Stocks - Theater reports - Japan - "Quantitative and Estimated Landed Cost Value of Civilian Supplies Imported into Japan, Korea; Quantitative and Cost Records of Supplies from U.S. Government to Korea."
  - Shipments from "Other Sources" include potash from Germany, and phosphate from North Africa and Anguar (Pacific Island). The value is estimated by CAD from theater reports and budget allocations.
  - Cost of Civilian Employees and Occupation Troops: As reported by the theater to Budget Division, WDSS. Travel of civilians estimated by CAD at 10 per cent of pay. Data shown consist of total given for fiscal year 1946, plus one-half the estimated for fiscal year 1947.

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JUL 18 1947

740.00119 CONTROL (JAPAN) / 6-2347

SECRET

No. 530

To the  
United States Political Adviser for Japan,  
Tokyo.

XR 841.203  
XR 811.203  
XR 800.515  
740.00119 (Control)  
Japan / 6-2347

The Secretary of State refers to SWNCC 347 and 347/2 (sent to the Political Adviser on February 20, 1947, and July 7, respectively) regarding the disposition of funds covering fines collected by United States and British military occupation courts, and encloses a memorandum downgrading these documents.

The Secretary of State also encloses a copy of SWNCC 205/5, entitled "REPATRIATION OF GERMAN NATIONALS FROM JAPAN".

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x 5

Enclosures:

- 1. Memorandum for Holders of SWNCC 347, 347/1/D, 347/2, copy no. 40.
- 2. SWNCC 205/5, copy no. 40.

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740.00119 Control (Japan)

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JUL 18 1947

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TOP SECRET

THE STATE-WAR-NAVY COORDINATING COMMITTEE  
WASHINGTON, D. C.

FE (NA)

SWN-5493  
23 June 1947

JCR

MEMORANDUM FOR THE SECRETARY OF STATE

Subject: SWNCC 347/2

Forwarded herewith is a copy of SWNCC 347/2 as approved by the State-War-Navy Coordinating Committee 19 June 1947.

It is requested that the Department of State furnish the conclusions of this paper to the United States Member on the Far Eastern Commission for his information and submission to the Commission for approval.

The Joint Chiefs of Staff have been requested to transmit the conclusions to CINCFE for his information.

For the State-War-Navy Coordinating Committee:

*J. H. Hilldring*  
for J. H. Hilldring  
Chairman

Enclosure:  
Copy No. 50, SWNCC 347/2

740.00119 CONTROL (JAPAN) /6-2347

FILED  
JUN 27 1947

XR 800.515  
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THIS DOCUMENT IS DECLASSIFIED  
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DIVISION OF  
NORTHWEST ASIAN AFFAIRS  
JUN 24 1947  
DEPARTMENT OF  
STATE  
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TOP SECRETCOPY NO. 5023 June 1947STATE-WAR-NAVY COORDINATING COMMITTEEDECISION AMENDING SWNCC 347/2DISPOSITION OF FUNDS COVERING FINES COLLECTED BY  
UNITED STATES AND BRITISH MILITARY OCCUPATION COURTSNote by the Secretaries

1. By informal action on 21 June 1947 the Committee approved SWNCC 347/2, after amending.
2. Holders of SWNCC 347/2 are requested to substitute the attached revised page 11 for the one contained therein and destroy the superseded page by burning.

H. W. MOSELEY,  
W. A. SCHULGEN  
V. L. LOWRANCE  
Secretariat

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*Recy of State*

COPY NO. 50

**TOP SECRET**

SWNCC 347/2

13 May 1947

**TOP SECRET**



TOP SECRETCOPY NO. 50SWNCC 347/213 May 1947Pages 8 - 12, incl.STATE-WAR-NAVY COORDINATING COMMITTEEDISPOSITION OF FUNDS COVERING FINES COLLECTED BY  
UNITED STATES AND BRITISH MILITARY OCCUPATION COURTSReferences: a. SWNCC 347  
b. SWNCC 347/1/D  
c. SFE 192Note by the Secretaries

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

H. W. MOSELEY

W. A. SCHULGEN

V. L. LOWRANCE

Secretariat

SWNCC 347/2TOP SECRET



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E N C L O S U R E

DISPOSITION OF FUNDS COVERING FINES COLLECTED BY  
UNITED STATES AND BRITISH MILITARY OCCUPATION COURTS

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

THE PROBLEM

1. To formulate instructions to CINCFE as requested in C-50724, 10 March 1947, for ultimate disposition of fines, costs and other sums collected by Military Occupation Courts in Japan.

FACTS BEARING ON THE PROBLEM

2. In cable C-50724 of 10 March 1947, (Appendix), CINCFE referred to conclusions of SWNCC 347, and requested instructions regarding ultimate disposition of funds covering fines and other sums collected by United States and British Military Occupation Courts in Japan.

3. SWNCC 347 (February 15th, 1947) concludes that property forfeited and fines levied pursuant to an order of a War Crimes Tribunal, should be applied by SCAP to defray costs of occupation.

4. The British Occupation Courts are under the operational control of the U.S. Eighth Army (Reference C-50724, cited above).

5. In conformity with the principles of International Law, military occupation courts with jurisdiction over offenses against the occupation forces and objectives of the occupation, have been authorized in Japan.

6. The Basic Directive for Post Surrender Military Government in Japan (JCS 1380/15 - 3 November 1945) directs the establishment of such tribunals.

7. Criminal jurisdiction over United Nations nationals or organizations (including corporations) is exercised by Military Occupation Courts in Japan (SWNCC 192/3 - 28 November 1945).

SWNCC 347/2

- 8 -

Enclosure

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8. Military Occupation Courts have been appointed in Japan, and their jurisdiction defined by directive of the Supreme Commander for the Allied Powers (SCAP IN 756 - 19 February 1946).

9. In Germany fines and other sums collected by Military Occupation Courts are turned over to the Army Finance Officer, and retained as miscellaneous collections held for the account of the Military Government. (As noted in current report of OIGUS, Finance Division, Currency Section).

DISCUSSION

10. Fines, costs and other sums collected by Military Occupation Courts should be applied to defray the costs of occupation in the same manner that forfeited property and fines from War Crimes Tribunals are applied. The alternative is permitting a separate Allied power to retain such funds. This is inconsistent with the joint nature of the occupation and the capacity of SCAP as a representative of all Allied powers in the Pacific. While United States funds and personnel have carried on the major burden of the occupation, the Inter-Allied character of SCAP is recognized, and funds collected by Military Occupation Courts are not essentially moneys due the government of the United States, but rather are income to be applied toward the joint occupation of Japan.

11. Cognizance is taken of 3617, Revised Statutes of 1904, which requires that all moneys collected by agencies of United States Government for the use of the United States be paid into the Treasury. However, consideration of the origin of Military Occupation Courts in Japan, and the fact that fines and other moneys collected by such tribunals are not for the use of the United States, but arise primarily from activities concerned with enforcement of law and order within the occupied country, warrants the conclusion that such moneys collected need not be disposed of in accordance with the domestic law of the United States.

SWNCC 347/2

- 9 -

Enclosure

TOP SECRET



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12. While heretofore jurisdiction of the occupation courts has been criminal in nature, the extension to include civil cases involving occupation personnel and nationals of the United Nations, will not affect the principle that revenue in the form of costs in such cases should be devoted to support the service supplied to the parties.

13. In connection with the accounting of foreign currencies received by agencies of the United States Occupation Forces, the GAO has recently ruled that such currencies which normally pass into the general fund account of the United States Treasury shall be deposited as foreign currency and without consideration of any conversion value into dollars. This ruling only applies to moneys collected that are due the United States; as for example, receipts arising from sale of United States surplus property or services, and does not cover fines and forfeitures which are not paid into the general fund account.

14. Fines and forfeitures collected in courts-martial proceedings against civilian or military occupation personnel are paid into a trust fund account in the United States Treasury and should not be confused with fines and forfeitures collected in Military Occupation Courts.

CONCLUSIONS

15. It is concluded that:

a. Military Occupation Courts in Japan partake of an international character.

b. Fines, costs and other sums collected by Military Occupation Courts should be used in defraying the costs of occupation.

c. All moneys collected by Military Occupation Courts should be entered in a separate account.



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RECOMMENDATIONS

16. It is recommended that:

- a. The foregoing conclusions be approved by SWNCC.
- b. The conclusions in this paper be furnished to the U.S. member on the Far Eastern Commission for his information and submission to the Commission for approval.
- c. JCS be requested to transmit the conclusions to CINCFE for his information as a reply to G-50724 ..

10 March 1947.

SWNCC 347/2

- 11 -

Enclosure

(Revised 23 June 1947)

TOP SECRET



TOP SECRET

A P P E N D I X

From: CINCPAC Tokyo Japan

To: War Department for JCS

Nr: C-50724

10 March 1947

In view of urad WAR 92073 (Conclusions to SWNCC 347) dated on 15 February 1947 establishing United States position that property forfeited and fines levied by War Crimes Tribunals should be applied by SCAP to defray costs of occupation, request instructions regarding ultimate disposition of funds covering fines and the like collected by United States and British Military Occupation Courts. The British Occupation Courts are under the operational control of the United States Eighth Army.

End

CM-IN-1610

(10 Mar 47)

SWNCC 347/2

- 12 -

Appendix

TOP SECRET







DIVISION OF  
COMMUNICATIONS AND RECORDS  
TELEGRAPH BRANCH

DEPARTMENT OF STATE  
INCOMING TELEGRAM

ACTION COPY

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Control 8372

Rec'd June 24, 1947  
9:52 p.m.

DIVISION OF MIDDLE  
EASTERN AND INDIAN AFFAIRS

FROM: Tokyo  
TO: Secretary of State  
NO: 168, June 24

JUN 25 1947  
DEPARTMENT OF STATE

FROM SCAP (POLAD) TO STATE DEPARTMENT, INFO WDCSA,  
CITE CX 53578

RECOURTEL No. 157, June 13, 1947.

Jain departed 22 June and British Ambassador has informed us that, as new Indian political representative will not arrive until possibly beginning August, Government of India wishes to appoint Jahadur Singh, presently Indian Consul in Shanghai, to take temporary charge of office of Indian political representative here but not to act as political representative. We have informed British Ambassador SCAP has no objection to this proposed interim arrangement.

ATCHESON

DM:WLB

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740.00119 CONTROL (JAPAN) /6-2447  
SECRET FILE LRC

JUN 30 1947

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PERMANENT RECORD COPY: THIS COPY MUST BE RETURNED TO DC/R CENTRAL FILES WITH NOTATION OF ACTION TAKEN.

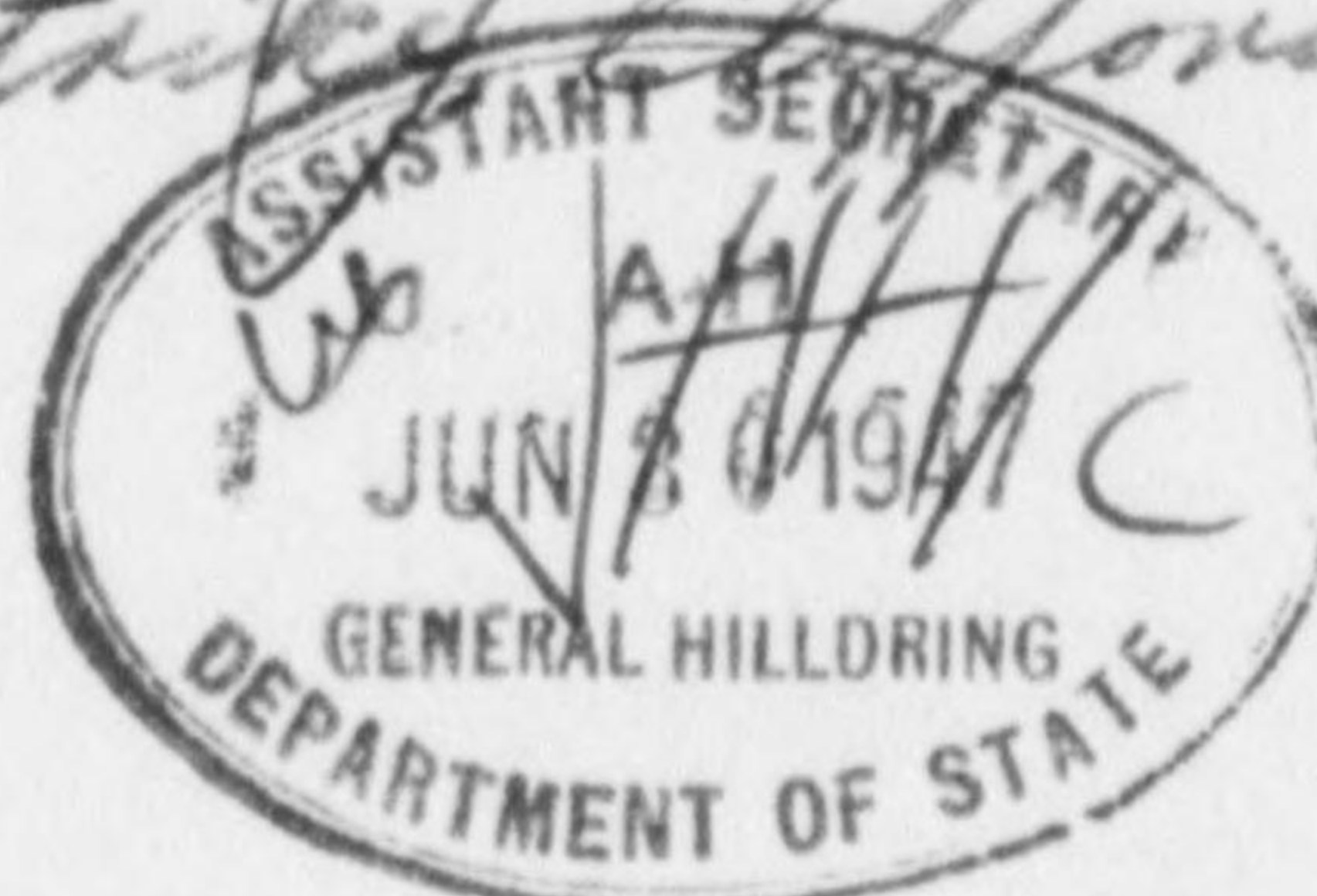


*to Gen MacArthur, Douglas*

**SECRET**

*334 Series 236/43*

*Gen Strike Clifford S.*



27 June 1947

General of the Army Douglas MacArthur  
Supreme Commander for the Allied Powers  
APO 500, Tokyo, Japan

My dear General MacArthur:

There is attached hereto a letter dated 14 April 1947 to Mr. Howard C. Petersen, Assistant Secretary of War, from Mr. Clifford S. Strike, Chairman, Special Committee on Japanese Reparations, in which Mr. Strike reports the results of a conference held in Washington between his group, representatives of the State, War and Navy Departments, and members of your staff.

The purpose of this conference was to effect delineations of the terms of definition and limitation contained in the conclusions of approved SWNCC 236/43. These conclusions outlined the United States position on "Reparations Removals of Industrial Facilities and Merchant Shipping from Japan" and have been submitted to the Far Eastern Commission for consideration. The conference achieved mutual accord and understanding, except as noted below, between members of your staff and interested U.S. Government agencies regarding interpretation of the above-mentioned reparations statement, and therefore, may prove of material assistance to you in establishing appropriate criteria when the statement is transmitted formally to you.

For your information, subsequent discussion with General Hilldring has developed the following conclusions with respect to certain points made in Mr. Strike's report:

a. With respect to sulphuric acid, you will note that the memorandum does not reflect full agreement. We cannot, therefore, assure you that no integrated contact plants will be subject to removal. If in your judgment the proposed provisions allowing you to retain facilities for the needs of the occupation is inadequate to prevent serious damage to the Japanese economy at the agreed level, on this account, you may wish to furnish detailed information on the basis of which the question can be reopened.

b. With regard to the light metals industry, the intent is that capacity to roll aluminum produced in Japan shall be retained in the other non-ferrous

*740-00119 Control (Japan) 6-2747*

*Copy to be sent to State Dept.*

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industries. The statement in the parenthetical comment under 1A (7) (a) is too broad, however. It is possible that it will be necessary, as a result of the interest of the FEC countries, to make available some metal rolling capacity in the copper and other non-ferrous industries. That would require amendment of SWNCC 236/43; if that is done, capacity to process aluminum will be safeguarded.

c. With regard to merchant shipping, the comment under 1A (9) (a) 1, that no fishing or whaling vessels will be made available for claim, is too sweeping. The sentiment of the FEC countries on this subject is so strong that it is considered preferable not to discuss it there or to amend the SWNCC paper. You will be able in any event to retain vessels for the needs of the occupation. The United States will press for recognition in the Peace Treaty of Japan's whaling and fishing interests and the right to retain vessels for that purpose.

d. With regard to the recommendation that a provision be included in the ultimate statement which will enable you to retain facilities for the needs of the occupation, you may be assured that such provision will be incorporated in subsequent instructions through proper channels.

e. With regard to amendment of the title of the basic statement to read "final," this matter has yet to be determined.

I commend to you the members of your staff whose wholehearted cooperation and enthusiasm during their visit contributed greatly to the successful accomplishment of the conference. Both General Hildring and I extend our warmest regards.

Sincerely yours,

(Signed) Robert P. Patterson

signed Robert P. Patterson  
Secretary of War

Incl. 1  
Ltr to AS/W from  
Mr. Strike.

SECRET

DISPATCHED FROM O.A.S.W. ....



WESTERN UNION

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~~RAA~~

*to Schuler*

~~SECRET~~

*WA*

JUL 2 1947

~~SECRET~~

*ans'd by Schuler 7/8/47*

DIVISION OF NORTHEAST ASIAN AFFAIRS

JUN 30 1947

DEPARTMENT OF STATE

WESTERN UNION

WU P77 NL PD

WHITEPLAINS NY JUN 27 1947

SECRETARY GEORGE C MARSHALL

STATE DEPT

WESTERN UNION

FAILURE TO PERMIT BY EXCEPTIONAL ACTION IF NECESSARY KOZAKI ATTEND INTERNATIONAL MISSIONARY COUNCIL MEETING WILL MAKE MOST UNFORTUNATE MISLEADING IMPRESSION ON DELEGATES 30 NATIONS WHO WILL NOTE PRESENCE OF 3 DELEGATES FROM GERMANY AND WILL MISTAKENLY INFER UNITED STATES FEARS TO ALLOW CHRISTIANS OF JAPAN HAVE FRIENDLY INTERCOURSE WITH CHRISTIANS OF OTHER LANDS AND THAT UNITED STATES DESIRES TO KEEP JAPANESE ISOLATED AND SUPPRESSED STOP IN VIEW OF ESTABLISHED POLICY OF UNITED STATES IN FAVOR OF CULTURAL INTERCHANGE AND EDUCATION IN DEMOCRACY STRONGLY URGE STATE DEPT NOW REQUEST SCAP ARRANGE KOZAKI VISIT WITHOUT PREJUDICE FUTURE DECISION IN FAR EASTERN COMMISSION

DIVISION OF NORTHEAST ASIAN AFFAIRS

JUL 10 1947

DEPARTMENT OF STATE

(JAPAN) / 6-27 47  
740.00119 CONTROL

*740.00119 Control (Japan)*

WESTERN UNION

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Department of State

Charge Department: State

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JUL 11 1947

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J. W. Decker,

Secretary International Missionary Council

156 5th Avenue, New York, N. Y.

*894.42700*

Reference your telegram June 28 addressed <sup>to the</sup> Secretary

*740.00119 Control (Japan) / 1-746*  
*894.404*

Department is deeply aware of importance reestablishing cultural ties between Japan and other countries earliest possible date and deems it unfortunate that absence Japanese delegates at International Missionary Council meeting might be interpreted as United States fear of allowing Japanese Christians have friendly intercourse with Christians of other lands. Interchange of persons policy with respect to Germany adopted of course on October 16, 1946. Department is endeavoring every way possible to expedite policy decision with respect to Japan now being considered in Far Eastern Commission. Toward that end your telegram has already been brought to attention of Commission. However successful conclusion of delicate international negotiations on broader issues involved would appear preclude at present time requesting that any exceptions be made to general rule of not permitting movement of Japanese nationals prior to Allied policy decision.

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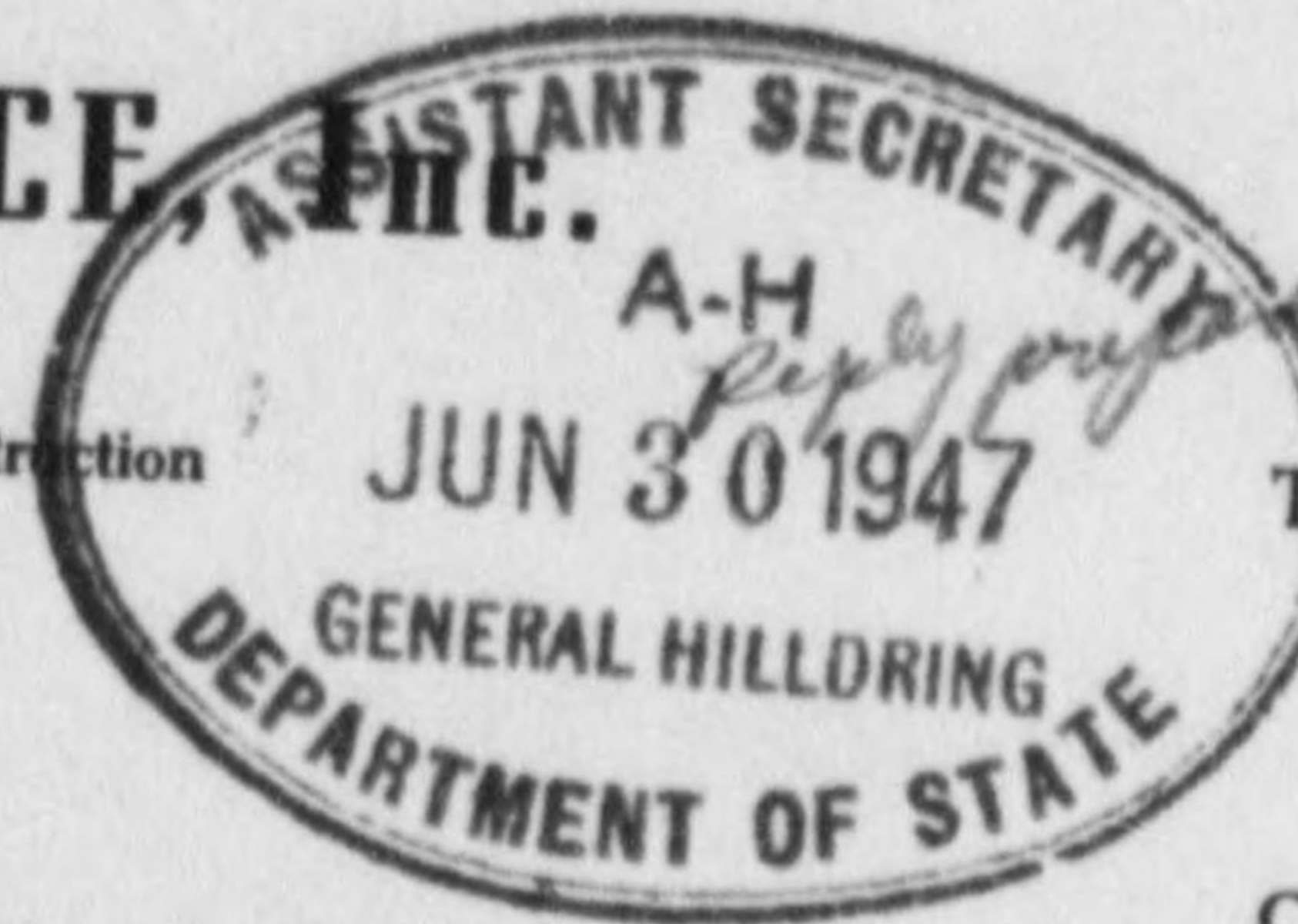
*Frank A. Schuler, Jr.*  
Frank A. Schuler, Jr.  
Associate Chief  
Division of Occupied Areas  
Department of State

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# CHURCH WORLD SERVICE

Successor to  
 Church Committee on Overseas Relief and Reconstruction  
 Commission for World Council Service  
 Church Committee for Relief in Asia  
 37 EAST 36TH STREET  
 NEW YORK 16, N. Y.



Tel. Murray Hill  
3-8563

Cable address  
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*copy prepared by B. O. Sullivan*  
*7/15/47*

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Director of Promotion

*file*

June 28, 1947.

*DCR*

General J. H. Hilldring,  
 Assistant Secretary of State,  
 Washington, D.C.

Dear sir,

The action of the Department of State with reference to the attendance of Japanese Christian at international religious conferences is making a seriously unfortunate impression upon people in many other countries. It looks to them as though the American government does not want the Japanese Christians to have any friendly relations with Christians in other lands. Germans are permitted to come to these conferences, as well as people from every other country, excepting only Japan. The mistaken inference is that the Americans are suppressing the Japanese and want to keep them in isolation.

I am aware of the fact that this subject is under consideration in the Far Eastern Commission, but that Commission has not yet acted, and until it does act there need be no change in previous practice. I also know what is the accepted policy of the American government with reference to the visits of Japanese to cultural conferences. That approved policy should be made effective until the FEC advises otherwise. There must be ways to do that which will not prejudice the discussions in the FEC. The damage to American reputation in other lands will be too great, if that is not done. These other people will say,--These Americans make fine speeches about democracy, but they keep the Japanese behind their own American iron curtain.

Will you not take whatever steps are necessary to send a despatch immediately to General MacArthur, informing him that under the approved policy of the American Government he may authorize such Japanese as he approves to attend

Constituted by: The Federal Council of the Churches of Christ in America  
 The American Committee for the World Council of Churches  
 Foreign Missions Conference of North America

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international religious conferences. This has special reference to the desired attendance of the Rev. Michio Kozaki at the meeting of the International Missionary Council, beginning on July 5th. Mr. Kozaki is the head of the united protestant churches in Japan. Gen. MacArthur has already approved his attending this meeting, if the State Department will give its consent. It will now be difficult for Mr. Kozaki to arrive here by July 5th, but reservations for him to travel by air have been made, and he could be here within a few days after that date, if the State Department acts promptly. Three delegates from Germany are due to arrive here next Monday, 30th. It will be painful, after that, if we have to say to the delegates from thirty other nations, that only the Japanese cannot come because of the attitude of the Department of State.

Yours very truly,

*Arthur Warshawski*



UNITED STATES POLITICAL ADVISER FOR JAPAN

DIVISION OF NORTHEAST ASIAN AFFAIRS  
JUL 21 1947  
DEPARTMENT OF STATE

Tokyo, June 30, 1947.

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No. 1145

RECEIVED DEPARTMENT OF STATE

1947 JUL 9 PM 3 51

FACILITIES BRANCH

SUBJECT: Thirty-fifth Meeting of the Allied Council for Japan, June 25, 1947.

RECEIVED DEPARTMENT OF STATE  
1947 JUL 11 PM 58

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The United States Political Adviser has the honor to refer to this Mission's despatch No. 1109, June 12, 1947, and to previous correspondence in regard to meetings of the Allied Council for Japan, and to forward as enclosures five copies each of the Agenda and the Corrected Verbatim Minutes of the Thirty-fifth Meeting of the Council held on June 25, 1947.

The Chairman introduced to the Members of the Council Mr. WANG Hsin-chung, nominated by the Chinese Government and appointed by the Supreme Commander to be a Deputy Secretary General of the Council (reference this Mission's despatch No. 1136, June 26, 1947).

The only subject on the Agenda under Official Matters was proposed by the Soviet Member: "The Progress of the Implementation of the Rural Land Reform of 1946". Mr. R. S. Hardie, head of the Agricultural Economics Branch, Agriculture Division of the Natural Resources Section of this Headquarters, made a statement in response to the Soviet Member's inquiries. His remarks appear on pages one et seq. of the Minutes.

Mr. Hardie analyzed the program for transferring tillable land from the owner to the cultivator, a two-fold problem of land purchase and resale which is being dealt with under the provisions of two laws passed by the Japanese Diet, "The Owner-Farmer Establishment Special Measures Law" and "The Agricultural Land Adjustment Law" as amended. After enumerating some of the difficulties inherent in such a program, he stated that the plan to complete the program by December 31, 1948 was being realized according to schedule. He mentioned the greater length of time required to implement such land reform plans in other countries, pointing out as an example that the land reform program in Soviet Russia, which began in 1917, extended throughout some eleven years; that collectivization of farms by 1928 included only two to three per cent. of all peasant holdings, and that only by concerted methods of the Soviet Government was collectivization increased to some 40 to 50 per cent. by May 1930. He also described the structure and functioning of the newly-elected Japanese land commissions and explained in detail the procedure whereby the land reform program is being implemented.

Mr. Hardie

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Tokyo's 1145,  
June 30, 1945.

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Mr. Hardie then took up those inquiries of the Soviet Member which were not answered in the statement summarized above. At one point the British Commonwealth Member expressed the opinion that in view of the length of time it had taken to achieve the present status, it would be hasty to say that the land reform program is a success. The Chairman responded that he was optimistic regarding the program which was progressing according to plan.

Referring to the land reform program in Soviet Russia, the Soviet Member asserted that statistics concerning collectivization of homesteads in that country were not relevant and stated that land reform in Poland, Rumania and the Soviet Zone had been effected within one year. The Chairman stated that the Soviet collective farm program was cited merely as an example of the length of time required for such reforms and mentioned that, with regard to the question of comparison with the other countries named, it should be emphasized that reform in Japan was being undertaken by democratic methods.

Enclosures: *act*

1. Five copies of Agenda, Thirty-fifth Meeting.
2. Five copies of Corrected Verbatim Minutes, Thirty-fifth Meeting.

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DEPARTMENT OF STATE INCOMING TELEGRAM

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Rec'd July 1, 1947 5:52 p.m.

FROM: Tokyo
TO: Secretary of State
NO: 178, July 1
PRIORITY

NO action
DIVISION OF NORTHEAST ASIAN AFFAIRS
JUL 2 - 1947
DEPARTMENT OF STATE

FROM SCAP (POLAD) TO WDCSA (PASS TO SECSTATE) CITE C 53741.

According to press, British Foreign Office spokesmen today made another attack on SCAP occupation procedures under governmental instruction and disregarded consideration in 28 June press release that phosphate was being sent from Angaur to Japan with approval of combined food board on which British Government was represented.

On subject of my 27 June remarks at American school commencement British criticism apparently based on misquotation that I had said there is no more room for reform in Japan. Referring to circumstance that the important policy directives have now been issued and major programs for reform are well under way, that I said was: "There is not much more for us to do here by way of directive or political and social program". Context is as follows:

"The Japanese have now acquired the essential framework for democracy. We have laid the foundations for its erection and it will be the task of the Japanese to complete and improve the structure and to keep it in repair. The political future of Japan rests largely upon the Japanese--to retrogress into regimentation (of the right or left) or to make further progress in

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JUL 23 1947

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-2- #178, July 1, from Tokyo

the development of democracy and its integration into Japanese life. It rests upon Japanese diligence, their appreciation and development of freedom, and their common sense. We have liberated the Japanese from the shackles of the past. And a people who have once known freedom and enjoyed the benefits of democracy do not willingly fall again into slavery. You and I have watched the march of history in this short time. There is not much more to do here by way of directive or political and social program. The tools of democratic processes have been placed into the hands of the Japanese people."

Full text airmailed my despatch 1138 June 27.

ATCHESON

SMD:LV

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