

FEC-239

Extension of FEC Policy on
Temporary Retention of
Electric Steel Furnaces

239- Extension of FEC Policy on Temporary
Retention of Electric Steel Furnaces

new folder

FEC-239

RESTRICTED

FEC-239

24 June 1947

FAR EASTERN COMMISSION

EXTENSION OF FAR EASTERN COMMISSION POLICY ON
TEMPORARY RETENTION OF ELECTRIC STEEL FURNACES
(References: FEC-059/30, FEC-059/13)

Note by the Secretary General

1. On 3 December 1946 the Far Eastern Commission approved a policy decision (FEC-059/30) permitting the temporary retention in Japan up to 30 June 1947 of additional electric steel furnace capacity, with the provision that "if, before 30 June 1947 it should be the opinion of the Supreme Commander for the Allied Powers that, in order to meet the needs of the occupation, an extension of the period of retention is necessary, he should furnish the Far Eastern Commission with a statement of his reasons so that a review of the position might be made."
2. The Chairman has been informed that it is the view of the Supreme Commander that, because of the continued coal shortage in Japan, and the prospects of shortage throughout the coming winter, an extension of the period of retention of electric steel furnaces to 30 June 1948 will be necessary in order to meet the needs of the occupation. A review of FEC-059/30 by the Commission in order to provide for such extension has accordingly been requested.
3. The enclosure, a policy proposal providing for extension of the Commission's policy on retention of electric steel furnaces, has accordingly been submitted by the United States member and is circulated herewith for consideration by the Commission as a matter of urgency at its meeting on 26 June 1947.

NELSON T. JOHNSON
Secretary General

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RESTRICTEDE N C L O S U R EEXTENSION OF FAR EASTERN COMMISSION POLICY ON
TEMPORARY RETENTION OF ELECTRIC STEEL FURNACES

1. In view of continued coal shortages in Japan, electric steel furnaces in excess of the 100,000 metric tons annual capacity referred to in FEC-059/13, [Interim Reparations Removals: Iron and Steel Industry, etc., approved 12 June 1946, and forwarded to SCAP as Directive Serial No. 52 on 15 June 1946] together with the rolling mill capacity integrated with such electric furnaces, currently being retained in Japan up to 30 June 1947 to a maximum of an additional 300,000 metric tons annual capacity, pursuant to the provisions of FEC-059/30, [Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, approved 6 December 1946, and forwarded to SCAP as Directive Serial No. 65 of 13 December 1946] may continue to be retained in Japan up to 30 June 1948.

2. If before 30 June 1948 it should be the opinion of the Supreme Commander for the Allied Powers that, in order to meet the needs of the occupation, a further extension of the period is necessary, he should furnish the Far Eastern Commission with a statement of his reasons so that a review of the position may be made.

3. The above policy should not postpone the designation of these facilities under the interim reparations removal program.

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FEC-239/1RESTRICTEDFEC-239/124 June 1947FAR EASTERN COMMISSIONEXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES
(References: FEC-059/30, FEC-059/13)Note by the Secretary General

1. The enclosure, a revision of FEC-239 embodying corrections in paragraph 1, which, due to an error on the part of the Secretariat, contained certain inaccuracies in the original version, is circulated herewith for the consideration of the Far Eastern Commission.

2. All members are requested to substitute the enclosure for the enclosure of FEC-239.

NELSON T. JOHNSON
Secretary General

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RESTRICTEDE N C L O S U R EEXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES

1. In view of the continued shortage of coal in Japan, the authorization granted in FEC-059/30 (Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, approved 6 December 1946, and forwarded to SCAP as Directive Serial No. 65 of 13 December 1946) to retain in Japan up to 30 June 1947, electric steel furnaces in excess of the 100,000 metric tons annual capacity referred to in FEC-059/13, (Interim Reparations Removals: Iron and Steel Industry, etc., approved 12 June 1946, and forwarded to SCAP as Directive Serial No. 52 on 15 June 1946) together with the rolling mill capacity integrated with such electric furnaces, to a maximum of an additional 300,000 metric tons annual capacity, is hereby extended until 30 June 1948.

2. If before 30 June 1948 it should be the opinion of the Supreme Commander for the Allied Powers that, in order to meet the needs of the occupation, a further extension of the period is necessary, he should furnish the Far Eastern Commission with a statement of his reasons so that a review of the position may be made.

3. The above policy should not postpone the designation of these facilities under the interim reparations removal program.

FEC-239/2RESTRICTEDFEC-239/227 June 1947FAR EASTERN COMMISSIONTEMPORARY EXTENSION OF FAR EASTERN COMMISSION POLICY ON
TEMPORARY RETENTION OF ELECTRIC STEEL FURNACES (FEC-059/30)Note by the Secretary General

1. Enclosure "A", a policy decision relative to the temporary extension of Far Eastern Commission policy on temporary retention of electric steel furnaces (FEC-059/30) was unanimously approved by the Far Eastern Commission at its sixty-third meeting, 26 June 1947.

2. The letter of transmittal of the Secretary General, forwarding this decision on behalf of the Far Eastern Commission to the Secretary of State of the United States Government in accordance with the Terms of Reference, is circulated herewith as Enclosure "B".

NELSON T. JOHNSON
Secretary General

FEC-239/2

RESTRICTEDENCLOSURE "A"TEMPORARY EXTENSION OF FAR EASTERN COMMISSION POLICY ON
TEMPORARY RETENTION OF ELECTRIC STEEL FURNACES (FEC-059/30)

The provisions of FEC-059/30 (Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, approved 6 December 1946, and transmitted to the Supreme Commander as Directive Serial No. 65 on 13 December 1946) are hereby extended until 31 July 1947, pending decision by the Far Eastern Commission on the subject of further review of these provisions.

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RESTRICTEDENCLOSURE "B"LETTER OF TRANSMITTAL

26 June 1947

The Honorable George C. Marshall
Secretary of State
Washington, D. C.

My dear Mr. Secretary:

The Terms of Reference of the Far Eastern Commission provide that one of the functions of the Commission should be to "formulate the policies, principles and standards in conformity with which the fulfillment by Japan of its obligations under the Terms of Surrender may be accomplished."

It is further provided that when such decisions are made by the Far Eastern Commission, "The United States Government shall prepare directives in accordance with the policy decisions of the Commission and shall transmit them to the Supreme Commander through the appropriate United States Government agency."

At the sixty-third meeting of the Far Eastern Commission held at 2516 Massachusetts Avenue, Northwest, Washington, D. C. on 26 June 1947, the enclosed policy decision relative to Temporary Extension of Far Eastern Commission Policy on Temporary Retention of Electric Steel Furnaces was unanimously approved.

As Secretary General of the Far Eastern Commission, I have been instructed to forward this decision to you on behalf of the Commission, in order that the appropriate directives may be prepared and transmitted to the Supreme Commander in accordance with the Terms of Reference.

Sincerely yours,

Nelson T. Johnson
Secretary General

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FEC-239/3RESTRICTEDFEC-239/327 June 1947FAR EASTERN COMMISSION

EXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES
(References: FEC-059/30, 059/13)

Note by the Secretary General

The Far Eastern Commission at its sixty-third meeting, 26 June 1947, referred FEC-239/1, Extension of Far Eastern Commission Policy on Temporary Retention of Electric Steel Furnaces, to COMMITTEE NO. 2: ECONOMIC AND FINANCIAL AFFAIRS for consideration.

NELSON T. JOHNSON
Secretary General

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FEC-239/4FEC-RESTRICTEDFEC-239/411 July 1947FAR EASTERN COMMISSIONTEMPORARY EXTENSION OF FAR EASTERN COMMISSION POLICY
ON TEMPORARY RETENTION OF ELECTRIC STEEL FURNACES
(Reference: FEC-239/2)Note by the Secretary General

1. The enclosure, a United States directive to the Supreme Commander for the Allied Powers forwarding the statement of policy of the Far Eastern Commission on the temporary extension of the Commission policy on temporary retention of electric steel furnaces, is circulated herewith for the information of the Far Eastern Commission.

2. This directive was forwarded to the Supreme Commander on 30 June 1947.

3. A certified copy of this directive has been filed with the Commission in accordance with Section III, paragraph 4, of the Terms of Reference.

NELSON T. JOHNSON
Secretary General

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FEC-RESTRICTEDE N C L O S U R ETEMPORARY EXTENSION OF FAR EASTERN COMMISSION POLICY
ON TEMPORARY RETENTION OF ELECTRIC STEEL FURNACESSerial No. 83

30 June 1947

The following directive, serial number 83, prepared by the Department of State to implement the policy adopted by the Far Eastern Commission on June 26, 1947, under the provisions of paragraph II, A, 1, of its terms of reference has been received from the State, War and Navy Departments for transmission to you for your guidance in accordance with paragraph III, one of those terms of reference:

"The provisions of FEC-059/30 (Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, approved 6 December 1946, and transmitted to the Supreme Commander as Directive serial number 65 on 13 December 1946) are hereby extended until 31 July 1947, pending decision by the Far Eastern Commission on the subject of further review of these provisions."

For the Joint Chiefs of Staff:

/s/ W. G. Lalor
W. G. LALOR
Captain, U.S. Navy
Secretary

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SC-239/5FEC-RESTRICTEDSC-239/518 July 1947FAR EASTERN COMMISSIONEXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES
(References: FEC-059/30; 059/13; 239/1)Note by the Secretary General

1. The enclosure, a proposed policy extending the authorization granted in FEC-059/30, Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, was approved by Committee No. 2: Economic and Financial Affairs at its 67th meeting, 17 July 1947, and is forwarded herewith for the consideration of the STEERING COMMITTEE.

2. The Australian, Chinese and French Members reserved their positions on the enclosure and the United States Member reserved his position on the deletion from FEC-239/1 of paragraph 2 and the word "interim" in paragraph 3.

3. In accordance with paragraph 3 of FEC-067/3, Committee No. 2 recommends that the enclosure be released for the press after being received by the Supreme Commander for the Allied Powers.

NELSON T. JOHNSON
Secretary General

SC-239/5

RESTRICTEDE N C L O S U R EEXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES

1. In view of the continued shortage of coal in Japan, the authorization granted in FEC-059/30 (Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, approved 6 December 1946, and forwarded to SCAP as Directive Serial No. 65 of 13 December 1946) to retain in Japan up to 30 June 1947, electric steel furnaces in excess of the 100,000 metric tons annual capacity referred to in FEC-059/13, (Interim Reparations Removals: Iron and Steel Industry, etc., approved 12 June 1946, and forwarded to SCAP as Directive Serial No. 52 on 15 June 1946) together with the rolling mill capacity intergrated with such electric furnaces, to a maximum of an additional 300,000 metric tons annual capacity, is hereby extended until 30 June 1948.

2. The above policy should not postpone the designation of these facilities under the reparations removal program.

MI-120/1*File in
239 Series*FEC-RESTRICTEDMI-120/118 July 1947FAR EASTERN COMMISSIONMEMORANDUM FOR INFORMATION NO. 120/1JAPANESE EDITORIAL COMMENT ON THE CURRENT
COAL SITUATION IN JAPANNote by the Secretary General

1. The enclosure, SCAP Publications Analysis No. 104 of 6 June 1947, covering current Japanese editorial comment on the coal situation in Japan, is circulated herewith for the information of the Far Eastern Commission.

2. The attention of COMMITTEE NO. 2: ECONOMIC AND FINANCIAL AFFAIRS is invited to the enclosure as a subject of particular interest to it.

NELSON T. JOHNSON
Secretary General

MI-120/1

FEC-RESTRICTEDE N C L O S U R E .JAPANESE EDITORIAL COMMENT ON THE CURRENT
COAL SITUATION IN JAPAN

General Headquarters
Supreme Commander for the Allied Powers
Civil Information and Education Section
Analysis and Research Division

PUBLICATIONS ANALYSIS, 6 June 1947

No. 104

Coal

The problem of coal production is the subject for much current magazine writing. It generally is conceded that the delay in setting a new price on coal was responsible for a hold-up in production, and many writers say that operating costs have risen to such a point that the present coal price is still insufficient. Production problems are treated in numerous articles, and there is emphasis on the necessity for a common ground on which labor and management may stand. Favorable opinion is found on the Cabinet plan for increased production in steel to be allocated to coal mining enterprises--which, in turn, will allot increases in output to the iron and steel industries. The greatest volume of comment is on the subject of nationalization. A number of writers see no other alternative than to transfer colliery management from private enterprise to Government control; the principal bones of contention are the manner of this change, and the degree of socialization involved.

Production Figures

Outstanding obstacles to the desired production goal of 30,000,000 tons are said to be the reduction of working hours (with consequent reduction of per capita production) and the necessity for expanded diggings. Toshio Tashiro chairman of the Japan Coal Mining Industrial Association, surveys the situation in DAIAMONDO: "Coal production, which reached 57,300,000 tons in 1940, has come to its present low state largely through poor mining methods which concentrated on digging to the exclusion of all else. Consequent failure of materials and flooding have reduced diggings to 40 percent of their wartime area, and we cannot expect the desired production without restoration of much of this space."

Another cause "may be attributed to officials, who have been discouraged by labor disputes and fail to exercise proper supervision. As a rule, a proper balance (in labor) is represented by 40 percent out-pit and 60 percent in-pit workers, but they now average 50-50. In order to reach 30,000,000 tons, an increase in the number of in-pit workers is essential. Although, in the past, coal miners worked from eight to 11 hours daily, working hours are now on an eight-hour basis, and a survey made in September, 1946 showed the average time spent in the mines to be three hours and 40 minutes per day. It is most urgent to maintain strict supervision of working conditions and hours, and a 25 percent increase in production might be expected by cooperation between labor and management in this respect."

Under present conditions, according to an EKONOMISUTO staff writer, 1947 coal production will total 27,000,000 tons at best.

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In order to top this figure, "the number of miners must be increased, and present diggings expanded. Additionally, "the following materials must be obtained: 108,000 tons of iron and steel, 111,000 tons of cement, 9,000,000 koku of stakes, and 450,000 koku of other lumber. Strong measures (Government control) will be necessary to realize the proposed goal of 30,000,000 tons." Another EKONOMISUTO article echoes this theme, and blames present deterioration on the wasteful production methods of wartime, when coal was dug with the motto, "A ton today is worth 100 tons tomorrow."

Production Problems

The key to increased production, in the opinion of many writers, is to make possible an adequate supply of materials for mining use by direct allotment of coal to manufacturers of such materials. Hikotaro Nagata, chief secretary of the Coal Mining Industry Association, writes in JITSUGYO NO NIPPON: "If present conditions continue, an economic crisis due to lack of production is inevitable. The future of our economy depends on satisfactory handling of the coal situation, and it is of primary importance to secure supplies for mining use." In Nagata's opinion, the equal distribution of coal to all industries is fraught with danger and "will give rise to crisis. It is imperative to concentrate on the manufacture of materials for mining use, which are essential for the production of coal in the future." If this is accomplished, "however serious the coal crisis may be (at present), we shall have a bright future. If the wrong course is taken, and we do not succeed in manufacturing sufficient materials to increase coal production at this time, there will be little hope for the future, and a crisis cannot be averted."

The Government's plan, adopted 24 December 1946, is reviewed by a TOYO KEIZAI SHIMPO staff writer: "The Cabinet decided on a plan to accelerate the production of steel during the first three months of 1947. Such increased production was to be rushed to the coal industry, so that coal production should have begun to advance from March. The increased coal output was, in turn, 'injected' into the steel industry." Cautioning that consequent hardships in the various fields of the national livelihood must be endured pending resumption of "normal coal production," this writer states that some of the major obstacles to increased production have been removed. "Food shortages have been alleviated by special rations to coal miners and labor shortages caused by the withdrawal of Korean workers have been relieved to some extent. Shortages in capital and materials, however, remain to be surmounted. The production cost of coal, since April 1946, has averaged well over ¥ 300 per metric ton. Against this figure, the operators received an average of ¥ 220 per ton up to October; coal mining enterprises naturally have become short of funds, and are consequently unable to procure necessary materials or launch new operations. The Price Board decided in December on an average producer's price of ¥ 346 per ton, thus raising the quotation to the approximate level of production costs." The writer considers that this figure does not allow a fair profit to producers, and suggests that the Government adopt "a principle of recognizing an additional profit for producers in fair proportion to the extent to which their production costs have been cut--with a view to stimulating the production zeal of operators."

Another staff article in a later issue of TOYO KEIZAI SHIMPO goes deeper into the problem. This writer believes that "although the Government's plan may not meet with the unqualified approval of the collieries, it has the merit of doing away with the wartime subsidy system, which always has worried operators, due to the delays in payment and the fluctuations which arose

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from various financial circumstances. The rate of ¥ 346 has been computed on the basis of production expenses at official prices as of July, 1946--plus anticipated increase in wages and raw material prices. Thus no consideration is paid to the possible necessity for producers to procure a part of their materials or labor at blackmarket prices. This rate further implies a monthly production average of 6.4 tons per miner in order to realize a profit to operators. In view of the fact that the best production average attained during 1946 was six tons, it may be seen that the ¥ 346 rate is far from a paying proposition for mine operators." On the other hand, "the plan provides a system of bonus payments for increased production, which will be divided 25 percent to operators and 75 percent to the miners. This system is the plan's most important feature, providing both management and labor with an incentive for increased production." Possibilities of increasing production are reported bright for several reasons: "Regarding necessary materials, coal mining is given top priority for supply of iron and steel. As regards funds the Government has earmarked ¥ 500 million as equipment capital for the mines, and an additional ¥ 400 million in loans to cover present deficits.

The coal industry is said to be confronted by two major necessities: "1) A permanent policy of investing large amounts of Government capital on a long-term basis for restoration of mining facilities and equipment, and for improvement of mining technique, so that the high efficiency of 1932-37 may be regained, and 2) a provisional measure or measures to increase production on a small scale in order to meet immediate needs. Both management and labor should be mindful of the fact that they have a bitter test before them."

Labor-Management Relations

The importance of a common meeting-ground for labor and management is the subject of two TOYO KEIZAI SHIMPO staff articles. Quoting from an address delivered to colliery workers by Premier Yoshida -- in which he voiced his wish for a "coal conference" which should be inaugurated "by cooperation of labor and capital" --one writer states, "Undoubtedly, the establishment of such an organ is the key to production increase. In certain mines in Kyushu and Hokkaido, similar methods have been adopted and successful results reported. This being so, such a program should be extended nationally." However, "to bring success to such a plan, it is absolutely necessary for both the Government and the enterprisers to have a sound conception of the miners' life, and to abandon their old-fashioned aversion to the trade union movement. The coal conference should be so organized as to include both the J.F.L. and the N.C.I. -- for otherwise, however fervently the Premier expresses his desires, a substantial increase in production will not result."

A second article extends this view to include a national industrial conference "as a higher institution to preside over such conferences." This writer draws a parallel to British practices in classified industrial conferences: "Even in England, where parliamentary politics is developed to its highest level, the cabinet frequently makes use of such industrial conference, and committees to supplement deficiencies of the system. New Japan, which is still developing parliamentary politics, must follow this example and make the utmost use of industrial conferences as supplementary organs to political government."

FEC-RESTRICTEDNationalization of the Mines

There are numerous articles in which nationalization of the coal industry is advocated, but not all writers favor direct Government management on an all-out basis. Some call for socialization on a less inclusive plane -- while management interests suggest that mines might be leased by the Government and placed under "expert" control. A strong exponent of nationalization, Otohiko Hanema (economics editor of Mainichi Shimbun) writes in JITSUGYO NO NIPPON that the nationalization theory is "the focal point of the production problem. According to this writer, there are two fundamental reasons for the unsatisfactory output of coal. One is "the geographical and geological limitation of the coal mines in Japan; the other is the lack of will to produce on the part of mine operators. There will be no hope of solving production problems until a radical and political solution is found for these basic causes."

Describing in some detail the conditions in various mines in Kyushu and Hokkaido, Hanema comes to his main theme: "Let us consider the capitalists' will to produce. They proclaim publicly that 'there is absolutely no sabotage in production'; this is probably true. The root of the matter lies deeper -- timid capitalists who are concerned solely with money-making cannot manage coal mining enterprises boldly and constructively. Not only are the coal mine exempt from earmarking as reparations, but also they are least affected by cancellation of claims for war indemnities. The majority of coal-mining capital belongs to the great family groups: Mitsui, Mitsubishi, Sumitomo and Koga. If these groups are allowed to continue to retain control, in substance, of this enormous capital, it will afford them an opportunity to regain power. The nation cannot allow this possibility without radical action. From this viewpoint, one should easily see whether or not it is necessary to nationalize the coal mines."

In conclusion, Hanema criticizes the Government plan, "which presupposes no program of nationalization. The Government and the mining capitalists are in accord on two points: they both propose to solve the problem (of increased production) without any change in the present form of enterprise; and they both ignore the importance of projective economy." A similar viewpoint is adopted by a DAIAMONDO staff writer, who states that "if only those coal mines which are controlled by the Zaibatsu were to be nationalized, we would come into possession of sufficient coal production to regulate prices, exploit undeveloped coal deposits, and make a great contribution to Japanese economy."

In a SHAKAI article on the reopening of trade, Mosaburo Suzuki blames decreasing industrial production on the coal shortage, and points out that "to increase the production of coal requires the repair of old equipment, the installation of new and additional machinery, and the betterment of miners' living conditions. As the profit-minded capitalists of Japan never will accomplish this, the only solution lies in nationalization of the industry." At present "the general shortage of materials will prevent Japan and hope of immediate imports of raw materials; therefore, we must rely on stockpiles and natural resources. The Economic Stabilization Board estimates 1947's coal production at 23 million tons, which is far short of requirements." But Suzuki displays qualified optimism in stating that, "though the coal shortage has resulted in a decrease in industrial production, and the quality of coal (with the exception of the Hokkaido product) has deteriorated, the coal situation in Japan is not hopeless. Though the Kyushu mines are said to be debilitated, about 3 billion tons of coal of very superior quality are buried at the bottom of Ariake Bay, and there are vast deposits in Hokkaido and

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elsewhere; it merely requires the installation of new and progressive equipment." This author relates a recent interview with Kazuhiko Asai, President of the Japan Coal Laboratory, who spent 14 years as a technician with the Essen Coal Laboratory in Germany. According to Asai, "The situation is by no means hopeless, although the age and poor state of repair of mining equipment, and the poor condition of accommodation for miners, is extreme." To remedy these conditions, Suzuki concludes that nationalization of the industry is the only hope.

Middle-of-the-road counsel comes from Otojiro Kubota of Kobe Commercial University, writing in EKONOMISUTO. Kubota argues that the structure of the coal production and distribution system should be remodeled before either nationalization or national administration of the mines is chosen. "The enactment of nationalization or national administration is not the key to increased production; the socialization of coal mining administration is more desirable." Further to the right is a TOYO KEIZAI SHIMPO staff article which summarizes the views of mine operators. "The voice of the public has arisen, claiming that the fundamental step to increase the production of coal is to nationalize the industry. The industry, sorely in need of capital, can hardly be operated by private enterprisers at present." By nationalization, however this writer does not mean direct management of the mines by Government officials, for "if that sort of nationalization were to be enforced, not only would increased production become impossible, but also confusion and decreased output would result. The kind of nationalization favored by enterprisers would have the Government take over the leases on mining properties, and entrust management to trained industrialists." In addition to this "nationalization," the same article suggests other steps recommended by mining industrialists as a means of producing output: (1) "To respect the opinions of expert management, (2) to make coal mining more profitable than manufacturing, (3) to entrust actual operations to experts in the mines (4) to pay a premium for excess output, and (5) to grant preferential treatment to mine workers."

Individual Enterprises

TOYO KEIZAI SHIMPO carries a survey of five coal mining companies, with production figures and financial information. Writing on the Hokkaido Coal Mining Company, he reports coal production for 1946 "showed a steady rate of increase (January 1946, 78,400 tons, December 1946, 182,500 tons) but is still far behind maximum wartime production of 400,000 tons. Per capita production is now from .27 to .3 tons daily, as against the wartime rate of 1 to 1.1 tons." Financial structures are being felt by the Taiheiyo Coal Mining Company, "whose present debt has reached ¥ 25 million as against a paid-up capital of ¥ 11 million. December production was 24,000 tons, but a new pit should add 2,000 tons monthly to future totals; and per capita production is over nine tons monthly -- better than average efficiency." The Ube Industrial Company "averaged 200,000 tons monthly during the war, but at present can produce only 20,000 tons, with per capita production at the low figure of six tons per month. High operating costs of the Nippon Coal Mining Company (¥ 450-¥600 per ton) "make it impossible for this company to show a profit," the writer states. Production efficiency is low (5.25 tons per capita), and production in December was 51,200 tons, as against the wartime level of 80 to 100,000 tons. Brightest future of the five appears to be that of the Joban Coal Mining Company. Production figures show a steady increase during 1946, from 62,000 tons in January to 87,000 tons in December. "This," says the writer, "is an unprecedented recovery. * * * Average per

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capita production rose from 6.25 tons in February to 7.25 tons in December, with an in-pit average of 12.71 tons. Average wages of out-pit and in-pit miners were raised from ¥ 348 and ¥387, respectively, to the present level of ¥990 and ¥1,200. No coal mining company can make a profit at present; but if a more rational policy is adopted, companies such as Joban Coal will be foremost in showing increased production and resumption of dividend payments."

Sources: (Magazines, Circulation and Authors*) DAIAMONDO, 90,000, Toshio Tashiro, one staff article; EKONOMISUTO, 35,000, Otojiro Kubota, two staff articles; JITSUGYO-NO-NIPPON, 50,000, Hikotaro Nagata, Otohiko Hanema; SHAKAI, 50,000, Mosaburo Suzuki; TOYO KEIZAI SHIMPO, 25,000, six staff articles.

*Where available.

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RETENTION OF ELECTRIC STEEL FURNACES
(References: FEC-059/30; 059/13; 239/1)Note by the Secretary General

1. The enclosure, a proposed policy extending the authorization granted in FEC-059/30, Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, was approved by the Steering Committee at its seventy-second meeting, 22 July 1947, and is forwarded herewith for the consideration of the Far Eastern Commission.

2. The Chinese and French Members reserved their positions on the enclosure.

3. In accordance with paragraph 3 of FEC-067/3, the Steering Committee recommends that the enclosure be released to the press after being received by the Supreme Commander for the Allied Powers.

NELSON T. JOHNSON
Secretary General

FEC-239/6

RESTRICTEDE N C L O S U R EEXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES

1. In view of the continued shortage of coal in Japan, the authorization granted in FEC-059/30 (Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, approved 6 December 1946, and forwarded to SCAP as Directive Serial No. 65 of 13 December 1946) to retain in Japan up to 30 June 1947, electric steel furnaces in excess of the 100,000 metric tons annual capacity referred to in FEC-059/13, (Interim Reparations Removals: Iron and Steel Industry, etc., approved 12 June 1946, and forwarded to SCAP as Directive Serial No. 52 on 15 June 1946) together with the rolling mill capacity intergrated with such electric furnaces, to a maximum of an additional 300,000 metric tons annual capacity, is hereby extended until 30 June 1948.

2. The above policy should not postpone the designation of these facilities under the reparations removal program.

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FEC-239/7FEC-RESTRICTEDFEC-239/728 July 1947FAR EASTERN COMMISSIONEXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES
(References: FEC-059/30; FEC-239/2)Note by the Secretary General

1. Enclosure "A", a policy decision extending the Far Eastern Commission policy on temporary retention of electric steel furnaces, was approved by the Far Eastern Commission at its sixty-seventh meeting, 24 July 1947.

2. The letter of transmittal of the Secretary General, forwarding this decision on behalf of the Far Eastern Commission to the Secretary of State of the United States Government in accordance with the Terms of Reference, is circulated herewith as Enclosure "B".

NELSON T. JOHNSON
Secretary General

FEC-239/7

FEC-RESTRICTEDENCLOSURE "A"EXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES

1. In view of the continued shortage of coal in Japan, the authorization granted in FEC-059/30 (Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, approved 6 December 1946, and forwarded to SCAP as Directive Serial No. 65 of 13 December 1946) to retain in Japan up to 30 June 1947, electric steel furnaces in excess of the 100,000 metric tons annual capacity referred to in FEC-059/13, (Interim Reparations Removals: Iron and Steel Industry, etc., approved 12 June 1946, and forwarded to SCAP as Directive Serial No. 52 on 15 June 1946) together with the rolling mill capacity integrated with such electric furnaces, to a maximum of an additional 300,000 metric tons annual capacity, is hereby extended until 30 June 1948.

2. The above policy should not postpone the designation of these facilities under the reparations removal program.

FEC-RESTRICTED

ENCLOSURE "B"LETTER OF TRANSMITTAL

24 July 1947

The Honorable George C. Marshall
Secretary of State
Washington, D. C.

My dear Mr. Secretary:

The Terms of Reference of the Far Eastern Commission provide that one of the functions of the Commission should be to "formulate the policies, principles and standards in conformity with which the fulfillment by Japan of its obligations under the Terms of Surrender may be accomplished."

It is further provided that when such decisions are made by the Far Eastern Commission, "The United States Government shall prepare directives in accordance with the policy decisions of the Commission and shall transmit them to the Supreme Commander through the appropriate United States Government agency."

At the sixty-seventh meeting of the Far Eastern Commission held at 2516 Massachusetts Avenue, Northwest, Washington, D. C., on 24 July 1947, the enclosed policy decision relative to Extension of Far Eastern Commission Policy on Temporary Retention of Electric Steel Furnaces was approved.

In approving the enclosed policy, the Chinese Representative made a formal statement of his position, which the Commission agreed should be forwarded to the Supreme Commander along with the text of the policy itself for his information. The French Representative abstained from voting. An excerpt from the draft minutes of the sixty-seventh meeting of the Commission, covering the Chinese and French positions, is enclosed.

In adopting the enclosed policy decision the Commission agreed that it should be released to the press after being received by the Supreme Commander. In accordance with our normal procedure I would appreciate it if you could make arrangements to notify me when the enclosed policy decision has been received in Tokyo.

Sincerely yours,

Nelson T. Johnson
Secretary General

6 August 1947

PRESS RELEASE

FAR EASTERN COMMISSIONOFFICIAL PRESS RELEASESixty-seventh Meeting of the Far Eastern Commission

Not to be released prior to 12:00 noon, 7 August 1947

I. The Far Eastern Commission on 24 July 1947 approved a policy decision extending the Far Eastern Commission policy on temporary retention of electric steel furnaces (text below).

II. A directive based upon this policy decision has been forwarded to the Supreme Commander for the Allied Powers for implementation.

EXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES

1. In view of the continued shortage of coal in Japan, the authorization granted in the policy decision on *Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces (approved 6 December 1946) to retain in Japan up to 30 June 1947, electric steel furnaces in excess of the 100,000 metric tons annual capacity referred to in the policy decision on **Interim Reparations Removals: Iron and Steel Industry, Thermal Electric Power, Soda Ash, Chlorine, and Caustic Soda Industries, (approved 12 June 1946) together with the rolling mill capacity integrated with such electric furnaces, to a maximum of an additional 300,000 metric tons annual capacity, is hereby extended until 30 June 1948.

2. The above policy should not postpone the designation of these facilities under the reparations removal program.

* Released to press 18 Dec 1946

** Released to press 12 June 1946

FEC-239/8FEC-RESTRICTEDFEC-239/813 August 1947FAR EASTERN COMMISSIONEXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES
(Reference: FEC-059/30; FEC-239/7)Note by the Secretary General

1. The enclosure, a United States directive to the Supreme Commander for the Allied Powers forwarding a statement of policy of the Far Eastern Commission extending its policy on temporary retention of electric steel furnaces, is circulated herewith for the information of the Far Eastern Commission.

2. This directive was forwarded to the Supreme Commander on 31 July 1947.

3. A certified copy of this directive has been filed with the Commission in accordance with Section III, paragraph 4 of the Terms of Reference.

SAMUEL S. STRATTON
Acting Secretary General

FEC-239/8

Serial No. 85FEC-RESTRICTEDE N C L O S U R EEXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACES

31 July 1947

The following directive, serial number 85, prepared by the State Department to implement the policy adopted by the Far Eastern Commission on July 24, 1947, under the provisions of paragraph II, A, 1, of its terms of reference has been received from the State, War and Navy Departments for transmission to you for your guidance in accordance with paragraph III, 1, of those terms of reference:

"1. In view of the continued shortage of coal in Japan, the authorization granted in FEC-059/30 (Interim Reparations Removals: Temporary Retention of Electric Steel Furnaces, approved 6 December 1946, and forwarded to you as directive serial number 65 of 13 December 1946) to retain in Japan up to 30 June 1947, electric steel furnaces in excess of the 100,000 metric tons annual capacity referred to in FEC-059/13, (Interim Reparations Removals: Iron and Steel Industry, etc., approved 12 June 1946, and forwarded to you as directive serial number 52 on 15 Jun 1946) together with the rolling mill capacity integrated with such electric furnaces, to a maximum of an additional 300,000 metric tons annual capacity, is hereby extended until 30 June 1948.

"2. The above policy should not postpone the designation of these facilities under the Reparations Removal Program."

FEC-239/9FEC-239/924 April 1951FAR EASTERN COMMISSIONTEMPORARY EXTENSION OF FAR EASTERN COMMISSION POLICY FOR TEMPORARY RETENTION
OF ELECTRIC STEEL FURNACES
Directive Serial No. 83
(Reference: FEC-239/4)Note by the Secretary General

1. In order to facilitate handling of records FEC-239/4 (11 July 1947), a U. S. directive to SCAP temporarily extending Far Eastern Commission policy on retention of electric steel furnaces, is from this date graded to UNCLASSIFIED.

2. FEC-239/2, the Far Eastern Commission policy decision upon which this directive was based, was declassified and released to the press 17 July 1947.

3. All holders of FEC-239/4 are requested to make the appropriate change in their copies of this document.

NELSON T. JOHNSON
Secretary General

FEC-239/9

FEC-239/10FEC-239/1024 April 1951FAR EASTERN COMMISSIONEXTENSION OF FAR EASTERN COMMISSION POLICY ON TEMPORARY
RETENTION OF ELECTRIC STEEL FURNACESDirective Serial No. 85
(Reference: FEC-239/8)Note by the Secretary General

1. In order to facilitate handling of records FEC-239/8 (13 August 1947), a U.S. directive to SCAP extending Far Eastern Commission policy on retention of electric steel furnaces, is from this date graded to UNCLASSIFIED.

2. FEC-239/7, the Far Eastern Commission policy decision upon which this directive was based, was declassified and released to the press 7 August 1947.

3. All holders of FEC-239/8 are requested to make the appropriate change in their copies of this document.

NELSON T. JOHNSON
Secretary General

FEC-239/10

FEC-240

Interchange of Persons
Between Japan and Other
Countries

246 - Interchange of Persons Between Japan
and Other Countries for Cultural Purposes

240 - Interchange of Persons Between Japan
and Other Countries for Cultural Purposes

COPY NO. 164FEC-240CONFIDENTIALFEC-24026 June 1947FAR EASTERN COMMISSIONINTERCHANGE OF PERSONS BETWEEN
JAPAN AND OTHER COUNTRIESNote by the Secretary General

1. The enclosure, a statement of United States policy on the subject of the interchange of persons between Japan and other countries is circulated herewith for the consideration of the Far Eastern Commission and is referred to COMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES.

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

NELSON T. JOHNSON
Secretary General

FEC-240

CONFIDENTIALE N C L O S U R EINTERCHANGE OF PERSONS BETWEEN
JAPAN AND OTHER COUNTRIES

1. During the period of occupation and subject to the provisions of the following paragraphs there should be permitted between Japan and other countries an interchange of persons for educational, religious, scientific, informational and general cultural purposes including members of trade unions and related organizations and agencies whose purposes are recognized as democratic and who will contribute towards the process of reorientation. Such interchange shall include participation by the Japanese as well as other nationals in international conferences and conventions, in either Japan or other countries.

2. Each individual proceeding to or coming from Japan must be sponsored. In the case of U. S. citizens proceeding to Japan and Japanese nationals proceeding to the U.S.A., the eligibility of each person and that of his sponsor should be approved by SCAP, the War Department and the Department of State. In the case of Allied persons proceeding to Japan and Japanese nationals proceeding to countries other than the U.S.A., the eligibility of each person and that of his sponsor should be approved by SCAP and the country or countries of destination or origin other than Japan. Communications regarding clearance for such persons should follow established governmental and military channels.

3. The total expenses outside of Japan, including travel, living and incidental costs of Japanese going from Japan, shall be defrayed by the non-Japanese nationals, institutions or governments of the country or the countries receiving or sponsoring such persons. The total expenses, including non-yen equivalent of yen used in Japan, of persons going to Japan shall also be defrayed by the non-Japanese nationals, institutions or governments sponsoring such persons. Such non-yen equivalent of yen used in Japan shall be made available in currencies usable by SCAP in payment for imports of goods or services to Japan.

4. For the purposes of this program no interchange shall be effected of persons who will engage in political or commercial activities except insofar as these activities are authorized by SCAP as contributing directly to the accomplishment of the objectives of the program.

5. Interchange of students, teachers and other personnel engaged in social, natural, medical or other related scientific studies, teaching or research shall be permitted provided such personnel and studies are of a non-military character and contribute to the process of democratization or otherwise further the purposes of the occupation.

6. The general program shall be prepared by SCAP in consultation with the State and War Departments and with the foreign governments concerned. Such a program for the exchange of persons should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

C4-240/1

RESTRICTEDC4-240/19 July 1947FAR EASTERN COMMISSIONCOMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIESINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES

(References: 236 series; FEC-240)

Note by the Secretary General

The enclosure, a revision and combination of FEC-236 and FEC-240 prepared by the ad hoc subcommittee appointed by Committee No. 4: Strengthening of Democratic Tendencies on 2 July 1947, is forwarded by the subcommittee for the consideration of COMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES.

NELSON T. JOHNSON
Secretary General

C4-240/1

RESTRICTEDE N C L O S U R EINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Japanese nationals should not be permitted to attend inter-governmental conferences in any representative capacity. The Supreme Commander may, however, appoint members of his staff to participate as non-voting observers at inter-governmental conferences, and these observers may be accompanied by Japanese technical personnel when deemed necessary by the Supreme Commander. The Supreme Commander should consult the Far Eastern Commission in advance with regard to each inter-governmental conference at which it is proposed that such observers should be present.

2. Subject to the provisions of the following paragraphs there should be permitted between Japan and other countries an interchange of persons for educational, religious, scientific, informational and general cultural purposes including members of trade unions and related organizations and agencies whose purposes are recognized as democratic and who will contribute towards the process of reorientation. Such interchange may include participation by the Japanese as well as other nationals in non-governmental international conferences and conventions, in either Japan or other countries.

3. Each individual proceeding to or coming from Japan must be sponsored by an Allied national or organization who shall be responsible for his integrity, conduct, and financial support. In the case of Allied persons proceeding to Japan and Japanese nationals proceeding abroad, the eligibility of each person and that of his sponsor should be approved by SCAP and the country or countries of destination or origin other than Japan. Communications regarding clearance for such persons should follow established governmental and military channels.

RESTRICTED

4. The total expenses outside of Japan, including travel, living and incidental costs of Japanese going from Japan, should be defrayed by the Allied nationals, institutions or governments of the country or the countries receiving or sponsoring such persons. The total expenses, including non-yen equivalent of yen used in Japan, of persons going to Japan shall also be defrayed by the Allied nationals, institutions or governments sponsoring such persons. Such non-yen equivalent of yen used in Japan should be made available in currencies usable by SCAP in payment for imports of goods or services to Japan.

5. For the purposes of this program no interchange should be effected of persons who will engage in any political or propaganda activities; nor should interchange be effected of persons who engage in commercial activities except insofar as these activities are authorized by SCAP as contributing directly to the accomplishment of the objectives of this program.

6. Interchange of students, teachers and other personnel engaged in social, natural, medical or other related scientific studies, teaching or research should be permitted provided such personnel and studies are of a non-military character and contribute to the process of democratization or otherwise further the purposes of the occupation.

7. The general program contemplated in paragraphs 2 to 6 inclusive above should be carried out by SCAP in consultation with the governments concerned. Such a program for the exchange of persons should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

C4-240/2

RESTRICTEDC4-240/221 July 1947FAR EASTERN COMMISSIONCOMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIESINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES

(References: 240 series; FEC-236 series)

Note by the Secretary General

The enclosure, a revision of C4-240/1 incorporating amendments approved by members of Committee No. 4 in a personal capacity at the 41st and 42nd meetings of the Committee, 14 and 21 July 1947, is circulated herewith for the consideration of COMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES. The Australian member of Committee No. 4 has recorded his opposition to the proposal, on the ground that the general question of Japanese external contacts should await decision by the peace conference, and, in addition to the general reservation of other members, formal reservations have been recorded by the Soviet member on paragraph 1 and by the United Kingdom member on paragraphs 2 to 7, inclusive.

NELSON T. JOHNSON
Secretary General

C4-240/2

FEC-RESTRICTEDE N C L O S U R EINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Japanese nationals should not be permitted to attend inter-governmental conferences in any representative capacity except as provided in this paragraph. The Supreme Commander may appoint members of his staff to participate as non-voting observers at inter-governmental conferences, and these observers may be accompanied by Japanese technical personnel when deemed necessary by the Supreme Commander. The Far Eastern Commission reserves the right to review each decision by the Supreme Commander to appoint such observers at inter-governmental conferences.

2. Subject to the provisions of the following paragraphs there should be permitted between Japan and other countries an interchange of persons for educational, religious, scientific, informational and general cultural purposes including members of trade unions and related organizations and agencies whose purposes are recognized as democratic and who will contribute towards the process of reorientation. Such interchange may include participation by the Japanese as well as other nationals in non-governmental international conferences and conventions, in either Japan or other countries.

3. Each individual proceeding from Japan must be sponsored by an Allied national or organization which shall be responsible for his conduct and financial support. Each individual proceeding to Japan must be sponsored by an Allied organization which shall be responsible for his financial support. In the case of Allied persons proceeding to Japan and Japanese nationals proceeding abroad, the eligibility of each person and that of his sponsor should be approved by SCAP and the country or

FEC-RESTRICTED

countries of destination or origin other than Japan. Japanese nationals should be carefully screened by the Supreme Commander for the Allied Powers before being allowed to leave Japan. Communications regarding clearance for such persons should follow established governmental and military channels.

4. The total expenses outside of Japan, including travel, living and incidental costs of Japanese going from Japan, should be defrayed by the Allied nationals, institutions or governments of the country or the countries sponsoring such persons. The total expenses, including non-yen equivalent of yen used in Japan, of persons going to Japan shall also be defrayed by the Allied nationals, institutions or governments sponsoring such persons. Such non-yen equivalent of yen used in Japan should be made available in currencies usable by SCAP in payment for imports of goods or services to Japan.

5. For the purposes of this program no interchange should be effected of persons who might engage in any political or propaganda activities.

6. Interchange of students, teachers and other personnel engaged in social, natural, medical or other related scientific studies, teaching or research should be permitted provided such personnel and studies are of a non-military character and contribute to the process of democratization or otherwise further the purposes of the occupation.

7. The general program contemplated in paragraphs 2 to 6 inclusive above should be carried out by SCAP in consultation with the governments concerned. Such a program for the exchange of persons should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

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SC-240/3

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SC-240/3

28 July 1947

FAR EASTERN COMMISSION

INTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES
(References: 240 series; FEC-236 series)

Note by the Secretary General

1. The enclosure, a proposed policy decision relative to the interchange of persons between Japan and other countries, is forwarded herewith by Committee No. 4: Strengthening of Democratic Tendencies for consideration by the STEERING COMMITTEE.

2. Committee No. 4, at its forty-third meeting, 28 July 1947, agreed by a vote of 8 to 2 to forward the enclosure to the Steering Committee.

3. The Australian member of Committee No. 4 was opposed to this proposed policy. The French position was reserved regarding the provision in paragraph 4 for the payment *of by* Allied nationals, institutions or governments of the expenses of Japanese going from Japan. The Canadian, Chinese, Indian, New Zealand, Philippine, Soviet, and United Kingdom positions were technically reserved.

4. In accordance with paragraph 3 of FEC-067/3, Committee No. 4 recommends that the enclosure be released to the press in the normal procedure.

NELSON T. JOHNSON
Secretary General

SC-240/3

FEC-RESTRICTEDE N C L O S U R EINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Japanese nationals should not be permitted to attend inter-governmental conferences in any capacity except as provided in this paragraph. The Supreme Commander may appoint members of his staff to participate as non-voting observers at inter-governmental conferences, and these observers may be accompanied by Japanese technical personnel when deemed necessary by the Supreme Commander. The Far Eastern Commission reserves the right to review each decision by the Supreme Commander to appoint such observers at inter-governmental conferences.

2. Subject to the provisions of the following paragraphs there should be permitted between Japan and other countries an interchange of persons for educational, religious, scientific, informational and general cultural purposes including members of trade unions and related organizations and agencies whose purposes are recognized as democratic and who will contribute towards the process of reorientation. Such interchange may include participation by the Japanese as well as other nationals in non-governmental international conferences and conventions, in either Japan or other countries.

3. Each individual proceeding from Japan must be sponsored by an Allied national or organization which shall be responsible for his conduct and financial support. Each individual proceeding to Japan must be sponsored by an Allied national or organization which shall be responsible for his financial support. In the case of Allied persons proceeding to Japan and Japanese nationals proceeding abroad, the eligibility of each person and that of his sponsor should be approved by SCAP and the country or

FEC-RESTRICTED

countries of destination or origin other than Japan. Japanese nationals should be carefully screened by the Supreme Commander for the Allied Powers before being allowed to leave Japan. Communications regarding clearance for such persons should follow established governmental and military channels.

4. The total expenses outside of Japan, including travel, living and incidental costs of Japanese going from Japan, should be defrayed by the Allied nationals, institutions or governments of the country or the countries sponsoring such persons. The total expenses, including non-yen equivalent of yen used in Japan, of persons going to Japan shall also be defrayed by the Allied nationals, institutions or governments sponsoring such persons. Such non-yen equivalent of yen used in Japan should be made available in currencies usable by SCAP in payment for imports of goods or services to Japan.

5. For the purposes of this program no interchange should be effected of persons who might engage in any political or propaganda activities.

6. Interchange of students, teachers and other personnel engaged in social, natural, medical or other related scientific studies, teaching or research should be permitted provided such personnel and studies are of a non-military character and contribute to the process of democratization or otherwise further the purposes of the occupation.

7. The general program contemplated in paragraphs 2 to 6 inclusive above should be carried out by SCAP in consultation with the governments concerned. Such a program for the exchange of persons should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

FEC-240/4FEC-RESTRICTEDFEC-240/45 August 1947FAR EASTERN COMMISSIONINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES
(References: FEC-240/3, 240 series, -236 series)Note by the Secretary General

1. The enclosure, a proposed policy decision relative to the interchange of persons between Japan and other countries, was approved by the Steering Committee at its seventy-fourth meeting, 5 August 1947, and is forwarded herewith for the consideration of the Far Eastern Commission.

2. The Steering Committee approved the enclosure by a vote of 3 to 2. The Indian, Netherlands and United States members approved, the Australian and New Zealand members opposed and the Philippine and Soviet members formally reserved their positions on the enclosure.

3. In accordance with paragraph 3 of FEC-067/3, the Steering Committee recommends that the enclosure be released to the press in the normal procedure.

NELSON T. JOHNSON
Secretary General

FEC-240/4

FEC-RESTRICTEDE N C L O S U R EINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Subject to the provisions of the following paragraphs there should be permitted between Japan and other countries an interchange of persons for educational, religious, scientific, informational and general cultural purposes including members of trade unions and related organizations and agencies whose purposes are recognized as democratic and who will contribute towards the process of reorientation. Such interchange may include participation by the Japanese as well as other nationals in non-governmental international conferences and conventions, in either Japan or other countries.

2. Each individual proceeding from Japan must be sponsored by an Allied national or organization which shall be responsible for his conduct and financial support. Each individual proceeding to Japan must be sponsored by an Allied national or organization which shall be responsible for his financial support. In the case of Allied persons proceeding to Japan and Japanese nationals proceeding abroad, the eligibility of each person and that of his sponsor should be approved by the Supreme Commander for the Allied Powers and the country or countries of destination or origin other than Japan. Japanese nationals should be carefully screened by the Supreme Commander for the Allied Powers before being allowed to leave Japan. Communications regarding clearance for such persons should follow established governmental and military channels.

3. The total expenses outside of Japan, including travel, living and incidental costs of Japanese going from Japan, should be defrayed by the Allied nationals, institutions or governments of the country or the countries sponsoring such persons. The total expenses, including non-yen equivalent of yen used in Japan of persons going to Japan shall also be defrayed by the Allied nationals, institutions or governments sponsoring such persons. Such non-yen equivalent of yen used in Japan should be made available in currencies usable by the Supreme Commander for the Allied Powers in payment for imports of goods or services to Japan.

4. For the purposes of this program no interchange should be effected of persons who might engage in any political or propaganda activities.

5. Interchange of students, teachers and other personnel engaged in social, natural, medical or other related scientific studies, teaching or research should be permitted provided such personnel and studies are of a non-military character and contribute to the process of democratization or otherwise further the purpose of the occupation.

6. The general program contemplated in paragraphs 1 to 5 inclusive above should be carried out by the Supreme Commander for the Allied Powers in consultation with the governments concerned. Such a program for the exchange of persons should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

FEC-240/5FEC-RESTRICTEDFEC-240/512 August 1947FAR EASTERN COMMISSIONUNITED STATES AMENDMENT TO PROPOSED POLICY ON INTERCHANGE
OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES
(Reference: FEC-240/4)Note by the Secretary General

The enclosure, an amendment to the proposed policy decision relative to the interchange of persons between Japan and other countries, has been submitted by the United States Representative and is circulated herewith for the consideration of the Far Eastern Commission.

SAMUEL S. STRATTON
Acting Secretary General

FEC-240/5

FEC-RESTRICTEDE N C L O S U R EUNITED STATES AMENDMENT TO PROPOSED POLICY ON INTERCHANGE
OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES

Amend FEC-240/4, Interchange of Persons Between Japan and
Other Countries, as follows:

1. Insert after paragraph 5 a new paragraph to be numbered
paragraph 6, as follows:

"Under the terms of the general program contemplated
in paragraphs one to five no country is under any obliga-
tion to receive Japanese without its consent."

2. Renumber paragraph 6 as paragraph 7.

FEC-240/6FEC-RESTRICTEDFEC-240/615 August 1947FAR EASTERN COMMISSIONINTERCHANGE OF PERSONS BETWEEN JAPAN AND
OTHER COUNTRIES(References: FEC-240/4, 240/5)Note by the Secretary General

1. The enclosure, a proposed policy decision relative to the interchange of persons between Japan and other countries, approved by the Steering Committee at its seventy-fourth meeting, 5 August 1947, and amended by the Commission at its seventieth meeting, 14 August 1947, is circulated herewith for the further consideration of the Far Eastern Commission.

2. The Australian, Chinese and New Zealand members are opposed to the enclosure. The Philippine & Soviet members reserved their positions. The Soviet member also reserved his position specifically on the inclusion of paragraph 6.

3. In accordance with paragraph 3 of FEC-067/3, the Steering Committee recommended that the enclosure be released to the press in the normal procedure.

SAMUEL S. STRATTON
Acting Secretary General

FEC-240/6

FEC-RESTRICTEDE N C L O S U R EINTERCHANGE OF PERSONS BETWEEN JAPAN AND
OTHER COUNTRIES

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Subject to the provisions of the foregoing paragraphs there should be permitted between Japan and other countries an interchange of persons for educational, religious, scientific, informational and general cultural purposes including members of trade unions and related organizations and agencies whose purposes are recognized as democratic and who will contribute towards the process of reorientation. Such interchange may include participation by the Japanese as well as other nationals in non-governmental international conferences and conventions, in either Japan or other countries.

2. Each individual proceeding from Japan must be sponsored by an Allied national or organization which shall be responsible for his conduct and financial support. Each individual proceeding to Japan must be sponsored by an Allied national or organization which shall be responsible for his financial support. In the case of Allied persons proceeding to Japan and Japanese nationals proceeding abroad, the eligibility of each person and that of his sponsor should be approved by the Supreme Commander for the Allied Powers and the country or countries of destination or origin other than Japan. Japanese nationals should be carefully screened by the Supreme Commander for the Allied Powers before being allowed to leave Japan. Communications regarding clearance for such persons should follow established governmental and military channels.

3. The total expenses outside of Japan, including travel, living and incidental costs of Japanese going from Japan, should be defrayed by the Allied nationals, institutions or governments of the country or the countries sponsoring such persons. The total expenses, including non-yen equivalent of yen used in Japan of persons going to Japan shall also be defrayed by the Allied nationals, institutions or governments sponsoring such persons. Such non-yen equivalent of yen used in Japan should be made available in currencies usable by the Supreme Commander for the Allied Powers in payment for imports of goods or services to Japan.

4. For the purposes of this program no interchange should be effected of persons who might engage in any political or propaganda activities.

5. Interchange of students, teachers and other personnel engaged in social, natural, medical or other related scientific studies, teaching or research should be permitted provided such personnel and studies are of a non-military character and contribute to the process of democratization or otherwise further the purpose of the occupation.

6. Under the terms of the general program contemplated in paragraphs 1 to 5 no country is under any obligation to receive Japanese without its consent.

7. The general program contemplated in paragraphs 1 to 5 inclusive above should be carried out by the Supreme Commander for the Allied Powers in consultation with the governments concerned. Such a program for the exchange of persons should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

FEC 240/7FEC RESTRICTEDFEC-240/720 November 1947FAR EASTERN COMMISSION

INTERCHANGE OF PERSONS BETWEEN JAPAN
AND OTHER COUNTRIES
(References: FEC-240/4, -240/5, -240/6)

Note by the Secretary General

The Far Eastern Commission at its eighty-first meeting, 20 November 1947, referred FEC-240/6, Interchange of Persons Between Japan and Other Countries, back to COMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES for further consideration in the light of the discussion by the Commission.

NELSON T. JOHNSON
Secretary General

FEC-240/7

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C4-240/8

1 December 1947

FAR EASTERN COMMISSION

COMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES

REVISION PROPOSED BY NEW ZEALAND MEMBER OF FEC-240/6, INTERCHANGE OF PERSONS
BETWEEN JAPAN AND OTHER COUNTRIES

(References: FEC-240/6; 240 series, 236 series)

Note by the Secretary General

1. The enclosure, a proposed revision of FEC-240/6, Interchange of Persons Between Japan and Other Countries, indicating by means of lining-out and underscoring amendments proposed by the New Zealand member of Committee No. 4, is circulated herewith for the consideration of Committee No. 4, Strengthening of Democratic Tendencies.

2. The New Zealand member offers these proposed amendments since it appears to be the general desire of the Committee (Page 4, Minutes, 45th meeting, Committee No. 4) that a policy on this subject should be issued by the Commission.

NEILSON T. JOHNSON
Secretary General.

FEC-RESTRICTEDENCLOSUREINTERCHANGE-OF-PERSONS-BETWEEN-JAPAN-AND-OTHER-COUNTRIES
VISITS OF JAPANESE TO OTHER COUNTRIES AND VISITS OF OTHER NATIONALS
TO JAPAN

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Subject to the provisions of the following paragraphs ~~there should-be-permitted-between-Japan-and-other-countries-an-interchange of-persons~~ Japanese should be permitted to visit other countries and other nationals should be permitted to visit Japan for educational, religious, scientific, informational and general cultural purposes including ~~members~~ such purposes as those of trade unions and related organizations and agencies whose purposes are recognized as democratic and who will contribute towards the process of reorientation. ~~Such interchange-may-include-participation-by-the-Japanese-as-well-as-other nationals-in-non-governmental-international-conferences-and-conventions,-in-either-Japan-or-other-countries.~~ Such visits shall in the case of Japanese be limited to participation in non-governmental international conferences and conventions or to visits for the specific purposes of an international organization.

2. Each individual proceeding from Japan must be sponsored by an Allied national or organization which shall be responsible for his conduct and financial support. Each individual proceeding to Japan must be sponsored by an Allied national or organization which shall be responsible for his financial support. In the case of Allied persons proceeding to Japan and Japanese nationals proceeding abroad, the eligibility of each person and that of his sponsor should be approved by the Supreme Commander for the Allied Powers and the country or countries of destination or origin other than Japan. Japanese nationals should be carefully screened by the Supreme Commander for the Allied Powers before being allowed to leave Japan. Communications regarding clearance for such persons should follow established governmental and military channels.

FEC-RESTRICTED

3. The total expenses outside of Japan, including travel, living and incidental costs of Japanese going from Japan, should be defrayed by the Allied ~~nationals, institutions or governments of the country or the countries sponsoring such persons~~ sponsors. The total expenses, including non-yen equivalent of yen used in Japan of persons going to Japan shall also be defrayed by the Allied ~~nationals, institutions or governments sponsoring such persons~~ sponsors. Such non-yen equivalent of yen used in Japan should be made available in currencies usable by the Supreme Commander for the Allied Powers in payment for imports of goods or services to Japan.

4. For the purposes of this program no ~~interchange~~ visits should be effected ~~of~~ by persons who might engage in any political or propoganda activities.

5. ~~Interchange of~~ Visits to Japan of non-Japanese students, teachers and other personnel engaged in social, natural, medical or other related scientific studies, teaching or research should be permitted provided such personnel and studies are of a non-military character and contribute to the process of democratization or otherwise further the purpose of the occupation.

6. Under the terms of the general program contemplated in paragraphs 1 to 5 no country is under any obligation to receive Japanese without its consent.

7. The general program contemplated in paragraphs 1 to 5 inclusive above should be carried out by the Supreme Commander for the Allied Powers in consultation with the governments concerned. Such a program ~~for the exchange of persons~~ should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

240 file

C4-240/9FEC-RESTRICTEDC4-240/92 January 1948FAR EASTERN COMMISSIONCOMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES

INTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES: COMMENTS
AND PROPOSED AMENDMENTS TO FEC-240/6 SUBMITTED BY THE SOVIET DELEGATION
(References: FEC-240/6; 240 series)

Note by the Secretary General

1. The enclosure, comments and proposed amendments submitted by the Soviet Delegation is circulated herewith for the consideration of Committee No. 4: Strengthening of Democratic Tendencies.

2. The enclosure supersedes the preliminary draft of the amendments which was distributed by the Soviet member at the forty-eighth meeting of Committee No. 4, 30 December 1947.

NELSON T. JOHNSON
Secretary General

C4-240/9

FEC-RESTRICTEDENCLOSUREINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES:
COMMENTS AND PROPOSED AMENDMENTS TO FEC-240/6 SUBMITTED BY THE SOVIET DELEGATION

1. Amend paragraph 1 to read as follows:

"All democratic organizations — trade-union, political, cultural and educational, scientific, religious and other organizations and societies — of member countries of the Far Eastern Commission may freely send their representatives to Japan. The occupation authorities in Japan should render appropriate assistance to the representatives of the above-mentioned organizations. Japanese democratic organizations — trade-unions, political, cultural and educational, scientific, and religious organizations and societies — also may send their representatives to the member countries of the Far Eastern Commission for the purposes of establishing business contacts and of studying the experience and work of various democratic institutions of such countries.

"Such interchange may include participation of Japanese citizens as well as citizens of member countries of the Far Eastern Commission in non-governmental international conferences and conventions in other countries or in Japan."

2. Delete paragraph 3 as having no importance of principle since the manner of defraying the costs can be determined by mutual agreement between the inviting and the invited organizations.
3. Delete paragraph 4.
4. The Soviet Delegation may have some comments on paragraph 2 of FEC-240/6 at a later date.

C4-240/9

C4-240/10FEC-RESTRICTEDC4-240/1026 January 1948FAR EASTERN COMMISSIONCOMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIESINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES:
COMMENTS AND PROPOSED AMENDMENTS TO FEC-240/6 SUBMITTED
BY THE SOVIET DELEGATION

(References: FEC-240/6, 240/7; 240 series)

Note by the Secretary General

1. The enclosure, comments and proposed amendments to FEC-240/6 submitted by the Soviet Delegation, is circulated herewith for the consideration of Committee No. 4: Strengthening of Democratic Tendencies.

2. The enclosure supersedes C4-240/9, since the amendments submitted in that paper are repeated, and additional amendments, to paragraph 2, are proposed.

NELSON T. JOHNSON
Secretary General

C4-240/10

FEC-RESTRICTEDE N C L O S U R EINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES:
COMMENTS AND PROPOSED AMENDMENTS TO FEC-240/6 SUBMITTED
BY THE SOVIET DELEGATION

1. Amend paragraph 1 to read:

"All democratic organizations - trade-union, political, cultural and educational, scientific, religious and other organizations and societies - of member countries of the Far Eastern Commission may freely send their representatives to Japan. The occupation authorities in Japan should render appropriate assistance to the representatives of the above-mentioned organizations. Japanese democratic organizations - trade-unions, political, cultural and educational, scientific, and religious organizations and societies - also may send their representatives to the member countries of the Far Eastern Commission for the purposes of establishing business contacts and of studying the experience and work of various democratic institutions of such countries.

"Such interchange may include participation of Japanese citizens as well as citizens of member countries of the Far Eastern Commission in non-governmental international conferences and conventions in other countries or in Japan".

2. Amend paragraph 2 as follows:

Delete first sentence "Each individual proceeding from Japan must be sponsored by an Allied national or organization which shall be responsible for his conduct and financial support" and third sentence "In the case of Allied persons proceeding to Japan and Japanese nationals proceeding abroad, the eligibility of each person and that of his sponsor should be approved by the Supreme Commander for the Allied Powers and the country or countries of destination or origin other than Japan."

3. Delete paragraph 3 as having no importance of principles since the manner of defraying the costs can be determined by mutual agreement between the inviting and the invited organizations.

4. Delete paragraph 4.

C4-240/11FEC--RESTRICTEDC4-240/115 April 1948FAR EASTERN COMMISSIONCOMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIESINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES
(Reference: 240 series)Note by the Secretary General

1. The enclosure, a revision of FEC-240/6, a proposed policy decision on Interchange of Persons Between Japan and Other Countries, embodying amendments approved to date and indicating by means of lining-out and underscoring amendments proposed by the New Zealand Delegation (previously shown in C4-240/8), is circulated herewith for the consideration of COMMITTEE NO.4: STRENGTHENING OF DEMOCRATIC TENDENCIES.

NELSON T. JOHNSON
Secretary General

C4-240/11

FEC-RESTRICTEDENCLOSUREINTERCHANGE-OF-PERSONS-BETWEEN-JAPAN-AND-OTHER-COUNTRIESVISITS OF JAPANESE TO OTHER COUNTRIES AND VISITS OF OTHER NATIONALS
TO JAPAN

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Subject to the provisions of the following paragraphs ~~there should be permitted between Japan and other countries an interchange of persons~~ Japanese should be permitted to visit other countries and other nationals should be permitted to visit Japan for educational, religious, scientific, informational and general cultural purposes including ~~members~~ such purposes as those of trade unions and related organizations and agencies whose purposes are recognized as democratic and who will contribute towards the process of reorientation. ~~Such interchange may include participation by the Japanese as well as other nationals in non-governmental international conferences and conventions, in either Japan or other countries.~~ Such visits shall in the case of Japanese be limited to participation in non-governmental international conferences and conventions or to visits for the specific purposes of an international organization.

2. Each Allied national proceeding to Japan must be sponsored by an Allied national or organization which shall be responsible for his financial support. Japanese nationals should be carefully screened by the Supreme Commander for the Allied Powers before being allowed to leave Japan. Each visit of an Allied national to Japan or of a Japanese national outside Japan should be approved by both the Supreme Commander and the country concerned. Communications regarding clearance for such persons should follow established governmental and military channels.

FEC-RESTRICTED

3. For the purposes of this program no ~~interechange~~ visits should be effected ~~ef~~ by persons who might engage in any political or propaganda activities.

4. ~~Interechange-of~~ Visits to Japan of non-Japanese students, teachers and other personnel engaged in social, natural, medical or other related scientific studies, teaching or research should be permitted provided such personnel and studies are of a non-military character and contribute to the process of democratization or otherwise further the purpose of the occupation.

5. Under the terms of the general program contemplated in paragraphs 1 to 5 no country is under any obligation to receive Japanese without its consent.

6. The general program contemplated in paragraphs 1 to 5 inclusive above should be carried out by the Supreme Commander for the Allied Powers in consultation with the governments concerned. Such a program ~~for-the-exchange-of-persons~~ should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

C4-240/12FEC--RESTRICTEDC4-240/1212 April 1948FAR EASTERN COMMISSIONCOMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIESINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES
FOR CULTURAL PURPOSES
(Reference: 240 series)Note by the Secretary General

The enclosure, a revision of FEC-240/11, a proposed policy decision on Interchange of Persons between Japan and Other Countries, embodying amendments approved to date, is circulated herewith for the consideration of COMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES.

NELSON T. JOHNSON
Secretary General

C4-240/12

FEC--RESTRICTEDENCLOSUREINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES
FOR CULTURAL PURPOSES

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Subject to the provisions of the following paragraphs Japanese should be permitted to visit other countries and other nationals should be permitted to visit Japan for educational, religious, scientific, informational and general cultural purposes, including such purposes as those of trade unions and related organizations and agencies whose purposes are recognized as democratic in order to further the process of reorientation. Such visits may include participation by the Japanese as well as other nationals in non-governmental international conferences and conventions, in either Japan or other countries.
2. Each Allied national proceeding to Japan must be sponsored by an Allied national or organization which shall be responsible for his financial support. Japanese nationals should be carefully screened by the Supreme Commander for the Allied Powers before being allowed to leave Japan. Each visit of an Allied national to Japan or of a Japanese national outside Japan should be approved by both the Supreme Commander and the country concerned. Communications regarding clearance for such persons should follow established governmental and military channels.
3. Visits of persons who might engage in any political or propaganda activities should not be permitted under this program.
4. Under the terms of the general program contemplated in paragraphs 1 to 3 no country is under any obligation to receive Japanese without its consent.
5. The general program contemplated in paragraphs 1 to 4 inclusive above should be carried out by the Supreme Commander for the Allied Powers in consultation with the governments concerned. Such a program should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

SC-240/13FEC-RESTRICTEDSC-240/1319 April 1948FAR EASTERN COMMISSIONINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER
COUNTRIES FOR CULTURAL PURPOSES
(Reference: 240 series)Note by the Secretary General

1. The enclosure, a proposed policy decision on the interchange of persons between Japan and other countries for cultural purposes, is forwarded herewith by COMMITTEE NO. 4: STRENGTHENING OF DEMOCRATIC TENDENCIES, for consideration by the STEERING COMMITTEE.

2. Committee No. 4 at its 57th meeting, 16 April 1948, approved the enclosure by a vote of six (Canada, China, France, India, New Zealand, United States) in favor, to two (Australia, U.S.S.R.) opposed, with two abstentions (Philippine Republic, U.K.). The Chinese and Philippine members maintained general reservations. The Canadian, French, U.K. and U.S. members maintained reservations on the provision in paragraph 1 limiting Japanese visits to "only allied" countries and limiting permission to visit Japan to "only allied" nationals.

3. In accordance with paragraph 3 of FEC-067/3 Committee No. 4 recommends that the enclosure be released to the press in the normal course after being received by the Supreme Commander for the Allied Powers.

NELSON T. JOHNSON
Secretary General

SC-240/13

FEC-RESTRICTED

E N C L O S U R E

INTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES FOR CULTURAL PURPOSES

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Subject to the provisions of the following paragraphs Japanese should be permitted to visit only allied countries and only allied nationals should be permitted to visit Japan for educational, religious, scientific, informational and general cultural purposes of a non-military character, including those of trade unions and related organizations and agencies. Such visits may include participation by the Japanese as well as allied nationals in non-governmental international conferences and conventions, in either allied countries or Japan.

*cannot
[except those
that
had been
at war
with the
Allies]*

2. Each Allied national proceeding to Japan must be sponsored by an Allied national or organization which shall be responsible for his financial support. Japanese nationals should be carefully screened by the Supreme Commander for the Allied Powers before being allowed to leave Japan. Each visit of an Allied national to Japan or of a Japanese national outside Japan should be approved by both the Supreme Commander and the country concerned. Communications regarding clearance for such persons should follow established governmental and military channels.

of other countries

foreign

foreign

3. Visits of persons who might engage in any political or propaganda activities should not be permitted under this program.

4. ~~Under the terms of the general program contemplated in paragraphs 1 to 3~~ No country ~~is~~ under any obligation to receive Japanese without its consent.

shall be

N.2. Drafting amendment

5. The general program contemplated in paragraphs 1 to 4 inclusive above should be carried out by the Supreme Commander for the Allied Powers in consultation with the governments concerned. Such a program should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

Press Release

Hold
S.C.

SC-240/14

FEC-RESTRICTED

SC-240/14

21 April 1948

FAR EASTERN COMMISSION

INTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES
FOR CULTURAL PURPOSES
United States Amendments

Revised

Note by the Secretary General

1. The following amendments to SC-240/13, proposed by the United States Member of the Steering Committee at the 101st meeting of the Committee on 20 April 1948, are circulated herewith for the information of the STEERING COMMITTEE:

- a. para. 1
 - line 2 change "only Allied" to "other"
 - line 3 change "only Allied" to "other"
 - line 8 change "Allied" to "other"
 - line 9 ~~change~~ "Allied" to "other" *+ insert "Japan or other"*
- ** b. para. 2
 - line 1 change "Allied" to "foreign"
 - line 2 change "an Allied" to "a foreign"
 - line 6 change "an Allied" to "a foreign"

NELSON T. JOHNSON
Secretary General

*Refer for Canadian amendment
Chinese objection!*

SC-240/14

*Hold
S.C.*SC-240/15FEC-RESTRICTEDSC-240/1528 April 1948FAR EASTERN COMMISSIONINTERCHANGE OF PERSONS BETWEEN JAPAN AND OTHER COUNTRIES
FOR CULTURAL PURPOSES
Revised U.S. Amendments
(Reference: SC-240/13)Note by the Secretary General

The following revision of SC-240/14, U.S. amendments to SC-240/13, is circulated herewith for the information of the STEERING COMMITTEE and should be substituted for SC-240/14:

*change
X*

- a. para. 1 | *line 2: delete "only allied" and insert "other."*
 Line 3: delete "only allied" and insert after "nationals" the words "of other countries"
 line 8: delete "allied" and insert "the"; after "nationals" insert the words "of other countries"
 line 9: delete "allied" and insert "Japan or other"
 line 10: delete "or Japan"
- b. para. 2 | line 1: change "Allied" to "foreign"
 line 2: change "an Allied" to "a foreign"
 line 6: change "an Allied" to "a foreign"

NELSON T. JOHNSON
 Secretary General

SC-240/15

FEC-240/16

FEC-RESTRICTED

FEC-240/16

15 June 1948

FAR EASTERN COMMISSION

INTERCHANGE OF PERSONS BETWEEN JAPAN AND
OTHER COUNTRIES FOR CULTURAL PURPOSES
As Reported From The Steering Committee

Note by the Secretary General

1. The enclosure, a proposed policy on the subject of the interchange of persons between Japan and other countries for cultural purposes, was approved by the Steering Committee at its 109th meeting on 15 June 1948 and is forwarded herewith to the FAR EASTERN COMMISSION for consideration.

2. The enclosure was approved by the Steering Committee by a vote of six in favor to one (USSR) opposed. Australia, China, France, and the Philippine Republic abstained from voting. The Chinese and Philippine members maintained general reservations.

3. The Australian member indicated that his abstention was closely related to action that might be taken on SC-309 an Australian proposal on the subject of Travel of Japanese Abroad introduced at the 109th Steering Committee meeting. The French member indicated that his abstention did not constitute an objection to the enclosure.

4. The opposition of the Soviet member hinged upon the failure of the Steering Committee to approve the following amendments to the enclosure:

a.) Delete para. 1 and substitute the following:

"All democratic organizations - trade-union, political, cultural and educational, scientific, religious and other organizations and societies - of member countries of the Far Eastern Commission may freely send their representatives to Japan. The occupation authorities in Japan should render appropriate assistance to the representatives of the above-mentioned organizations. Japanese democratic organizations - trade unions, political,

Handwritten:
Held - 9/9/48
All OK
Good!
June 24 - 48

Handwritten:
Awaiting instructions
1 July - 48

Handwritten:
- 1 -
Fr. - OK - 15 July 48

FEC-240/16

Handwritten:
Ch. from limit on number of Japs abroad (7/22/48)

FEC-RESTRICTED

cultural and educational, scientific, and religious organizations and societies - also may send their representatives to the member countries of the Far Eastern Commission for the purposes of establishing business contacts and of studying the experience and work of various democratic institutions of such countries.

"Such interchange may include participation of Japanese citizens as well as citizens of member countries of the Far Eastern Commission in non-governmental international conferences and conventions in other countries or in Japan".

b.) Delete the first sentence of para. 2 and insert the following:

"Each individual proceeding to Japan must be sponsored by an Allied national or organization which shall be responsible for his financial support"; delete the third sentence of para. 2.

c.) Delete para. 3; renumber paragraphs 4 and 5 accordingly; also amend the paragraph numbers referred to in the text of paragraphs 4 and 5 accordingly.

5. The Steering Committee recommended that the enclosed policy, in the event that it is approved by the Commission, be released to the press in the normal course after being received by the Supreme Commander for the Allied Powers.

NELSON T. JOHNSON
Secretary General

FEC-RESTRICTEDENCLOSUREINTERCHANGE OF PERSONS BETWEEN JAPAN AND
OTHER COUNTRIES FOR CULTURAL PURPOSES
As Reported From the Steering Committee

The Far Eastern Commission decides as a matter of policy that during the period of the regime of control laid down in the Terms of Reference of the Far Eastern Commission:

1. Subject to the provisions of the following paragraphs, Japanese should be permitted to visit other countries and nationals of other countries should be permitted to visit Japan, for educational, religious, scientific, informational and general cultural purposes of a non-military character, including those of trade unions and related organizations and agencies. Such visits may include participation by the Japanese as well as the nationals of other countries in non-governmental international conferences and conventions, in either Japan or other countries.

2. Each foreign national proceeding to Japan must be sponsored by a foreign national or organization which shall be responsible for his financial support. Japanese nationals should be carefully screened by the Supreme Commander for the Allied Powers before being allowed to leave Japan. [Each visit of a foreign national to Japan or of a Japanese national outside Japan should be approved by both the Supreme Commander and the country concerned.] Communications regarding clearance for such persons should follow established governmental and military channels.

3. Visits of persons who might engage in any political or propaganda activities should not be permitted under this ~~rule~~ *deleted* program.

4. No country shall be under any obligation to receive Japanese without its consent.

5. The general program contemplated in paragraphs 1 to 4 inclusive above should be carried out by the Supreme Commander for the Allied Powers in consultation with the governments concerned. Such a program should take into consideration the needs and objectives of the occupation and the conditions and facilities available both in Japan and the countries concerned.

*such discretion
as may be
necessary on
both sides*

through their representative in Japan. (FM)

MOTION: 72. C/16 Interchange of Persons between Japan and other Countries for Cultural Purposes DATE 10/28/48

VOTE
CANVASS

	PRO	CON	ABSTAIN	REMARKS
Australia	✓			
Canada	✓			
China	✓			
France	✓			
India	✓			
Netherlands	✓			
New Zealand	✓			
Philippines	✓			
USSR		✓		
United Kingdom	✓			
United States	✓			
TALLY:	10	1		

RESULT: CARRIED
 LOST VETO
 NO MAJ

N.Y.

FEC

MOTION: Do adopt. FEC-240/16 DATE 28 Oct 48

VOTE No amendment by substitution of "the" for "this" in # 3, l. 2

CANVASS	PRO	CON	ABSTAIN	REMARKS
Australia	✓			<i>understand at least mtg</i>
Canada	✓			
China	✓			<i>understanding</i>
France	✓			
India	✓			
Netherlands	✓			
New Zealand	✓			
Philippines	✓			<i>understanding</i>
USSR		✓		
United Kingdom	✓			
United States	✓			
TALLY:	10	1	—	

RESULT: CARRIED
 LOST VETO
 NO MAJ

Hold for 1 wk

FEC-240/17FEC-RESTRICTEDFEC-240/1729 October 1948FAR EASTERN COMMISSIONINTERCHANGE OF PERSONS BETWEEN JAPAN AND
OTHER COUNTRIES FOR CULTURAL PURPOSES
Report of Commission VoteNote by the Secretary General

At the 125th meeting of the Far Eastern Commission, 28 October 1948, FEC-240/16, a proposed policy decision on Interchange of Persons Between Japan and Other Countries for Cultural Purposes was voted on and lost by 10 in favor to 1 (USSR) opposed.

NELSON T. JOHNSON
Secretary General

FEC-240/17

FEC-241

Disposition of Funds Covering
Fines Collected by US & British
Military Occupation Courts

241- Disposition of Funds Covering Fines
Collected by Allied Military
Occupation Courts

COPY NO. 121FEC-241CONFIDENTIALFEC-241 ✓30 June 1947FAR EASTERN COMMISSIONDISPOSITION OF FUNDS COVERING FINES COLLECTED BY UNITED STATES AND BRITISH MILITARY OCCUPATION COURTSNote by the Secretary General

1. The enclosure, a United States policy proposal regarding disposition of funds covering fines collected by United States and British military occupation courts, is circulated herewith for the consideration of the Far Eastern Commission and is referred to COMMITTEE NO. 6: ALIENS IN JAPAN.

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

NELSON T. JOHNSON
Secretary General

FEC-241

CONFIDENTIAL

ENCLOSURE

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

1. The Far Eastern Commission decides as a matter of policy ~~the following:~~

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

are acting in behalf of the Allied Occup of Japan

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 accounts.

Similar mil occ courts in Japan are acting in behalf of the Allied Occup of Japan

121

CONFIDENTIALC6-241/1 ✓11 July 1947FAR EASTERN COMMISSIONCOMMITTEE NO. 6: ALIENS IN JAPANDISPOSITION OF FUNDS COVERING FINES COLLECTED BY UNITED STATES
AND BRITISH MILITARY OCCUPATION COURTS

(Reference: FEC-241)

Note by the Secretary General

1. The enclosure, a revision of FEC-241, prepared by the United States member of Committee No. 6 in the light of discussion at the forty-first meeting of that Committee, 8 July 1947, is circulated herewith for the consideration of COMMITTEE NO. 6: ALIENS IN JAPAN.

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

NELSON T. JOHNSON
Secretary General

CONFIDENTIAL

C6-241/1

CONFIDENTIALE N C L O S U R E*Allied*DISPOSITION OF FUNDS COVERING FINES COLLECTED BY UNITED STATES AND BRITISH MILITARY OCCUPATION COURTS

The Far Eastern Commission decides as a matter of policy the following:

Since the Military Occupation Courts which have been appointed by order of the Supreme Commander for the Allied Powers in Japan partake of an international character, any sums collected by such Courts should be used in defraying the costs of the Allied occupation, *and all monies* ~~and~~ *collected by Mil Occ Ct* should be entered in ^a separate accounts for use in the respective ^{area} ~~zone~~ in which collected.

CONFIDENTIAL

C6-241/1

~~Folder?~~SC-241/2FEC-RESTRICTEDSC-241/225 July 1947FAR EASTERN COMMISSIONDISPOSITION OF FUNDS COVERING FINES COLLECTED BY ALLIED
MILITARY OCCUPATION COURTS

(Reference: 241 series)

Note by the Secretary General

1. The enclosure, a proposed policy decision with regard to the disposition of funds covering fines collected by Allied Military Occupation Courts, approved by Committee No. 6: Aliens in Japan at its forty-third meeting, 25 July 1947, is forwarded herewith for the consideration of the STEERING COMMITTEE.

2. The Australian, French, and United Kingdom members of Committee No. 6 maintained technical reservations on the enclosure.

3. In accordance with paragraph 3 of FEC-067/3 Committee No. 6: Aliens in Japan recommends that the enclosure be released to the press in the normal procedure.

NELSON T. JOHNSON
Secretary General

SC-241/2

FEC--RESTRICTEDE N C L O S U R EDISPOSITION OF FUNDS COVERING FINES COLLECTED BY ALLIED
MILITARY OCCUPATION COURTS

The Far Eastern Commission decides as a matter of policy the following:

Since the Military Occupation Courts which have been appointed by order of the Supreme Commander for the Allied Powers in Japan partake of an international character, any sums collected by such Courts should be used in defraying the costs of the Allied occupation, and all moneys collected by the Military Occupation Courts should be entered in a separate account for use in the respective areas in which collected.

SC-241/2

SC-241/3FEC-RESTRICTEDSC-241/330 July 1947FAR EASTERN COMMISSIONDISPOSITION OF FUNDS COVERING FINES COLLECTED BY
ALLIED MILITARY OCCUPATION COURTS
(Reference: 241 series)Note by the Secretary General

The Steering Committee at its seventy-third meeting 29 July 1947, referred SC-241/2, Disposition of Funds Covering Fines Collected by Allied Military Occupation Courts, back to COMMITTEE NO. 6: ALIENS IN JAPAN for clarification.

NELSON T. JOHNSON
Secretary General

SC-241/3

SC-241/4FEC-RESTRICTEDSC-241/41 August 1947FAR EASTERN COMMISSIONDISPOSITION OF FUNDS COVERING FINES COLLECTED BY
ALLIED MILITARY OCCUPATION COURTS
(Reference: 241 Series)Note by the Secretary General

1. The enclosure, a proposed policy decision with regard to the disposition of funds covering fines collected by Allied Military Occupation Courts, approved by Committee No. 6: Aliens in Japan at its forty-fourth meeting, 1 August 1947, is forwarded herewith for the consideration of the STEERING COMMITTEE.

2. The enclosure is a revision of SC-241/2, which was considered by the Steering Committee on 29 July 1947 and referred back to Committee No. 6 for clarification.

3. In accordance with paragraph 3 of FEC-067/3 Committee No. 6: Aliens in Japan recommends that the enclosure be released to the press in the normal procedure.

NELSON T. JOHNSON
Secretary General

SC-241/4

FEC-RESTRICTEDE N C L O S U R EDISPOSITION OF FUNDS COVERING FINES COLLECTED BY
ALLIED MILITARY OCCUPATION COURTS

The Far Eastern Commission decides as a matter of policy the following:

Since the military occupation courts which have been appointed by order of the SCAP in Japan partake of an international character, any fines imposed or other sums collected pursuant to orders made by such courts should be used in defraying the costs of the Allied occupation. All such moneys should be entered in a separate account and should be assigned to meet the occupation costs of the forces whose courts ordered payment to be made.

FEC-241/5FEC-RESTRICTEDFEC-241/55 August 1947FAR EASTERN COMMISSIONDISPOSITION OF FUNDS COVERING FINES COLLECTED BY
ALLIED MILITARY OCCUPATION COURTS
(Reference: 241 Series)Note by the Secretary General

1. The enclosure, a proposed policy decision with regard to the disposition of funds covering fines collected by Allied Military Occupation Courts, was approved by the Steering Committee at its seventy-fourth meeting, 5 August 1947, and is forwarded herewith for the consideration of the Far Eastern Commission.

2. The Steering Committee approved the enclosure by a vote of 10 to 0 with the Indian member abstaining and formally reserving his position.

3. In accordance with paragraph 3 of FEC-067/3 the Steering Committee recommends that the enclosure be released to the press in the normal procedure.

NELSON T. JOHNSON
Secretary General

FEC-241/5

FEC-RESTRICTEDE N C L O S U R EDISPOSITION OF FUNDS COVERING FINES COLLECTED BY
ALLIED MILITARY OCCUPATION COURTS

The Far Eastern Commission decides as a matter of policy the following:

Since the military occupation courts which have been appointed by order of the Supreme Commander for the Allied Powers in Japan partake of an international character, any fines imposed or other sums collected pursuant to orders made by such courts should be used in defraying the costs of the Allied occupation. All such moneys should be entered in a separate account and should be assigned to meet the occupation costs of the forces whose courts ordered payment to be made.

FEC-241/6FEC-RESTRICTEDFEC-241/68 August 1947FAR EASTERN COMMISSIONDISPOSITION OF FUNDS COVERING FINES COLLECTED
BY ALLIED MILITARY OCCUPATION COURTS
(Reference: FEC-241/5)Note by the Secretary General

1. Enclosure "A", a policy decision with regard to the disposition of funds covering fines collected by Allied Military Occupation Courts, was unanimously approved by the Far Eastern Commission at its sixty-ninth meeting, 7 August 1947.

2. The Secretary General's letter of transmittal which forwards this decision on behalf of the Far Eastern Commission to the Secretary of State of the United States Government in accordance with the Terms of Reference, is circulated herewith as Enclosure "B".

NELSON T. JOHNSON
Secretary General

FEC-241/6

FEC-RESTRICTEDENCLOSURE "A"DISPOSITION OF FUNDS COVERING FINES COLLECTED
BY ALLIED MILITARY OCCUPATION COURTS

The Far Eastern Commission decides as a matter of policy the following:

Since the military occupation courts which have been appointed by order of the Supreme Commander for the Allied Powers in Japan partake of an international character, any fines imposed or other sums collected pursuant to orders made by such courts should be used in defraying the costs of the Allied occupation. All such moneys should be entered in a separate account and should be assigned to meet the occupation costs of the forces whose courts ordered payment to be made.

FEC-RESTRICTEDENCLOSURE "B"LETTER OF TRANSMITTAL

7 August 1947

The Honorable George C. Marshall
Secretary of State
Washington, D. C.

My dear Mr. Secretary:

The Terms of Reference of the Far Eastern Commission provide that one of the functions of the Commission should be to "formulate the policies, principles and standards in conformity with which the fulfillment by Japan of its obligations under the Terms of Surrender may be accomplished."

It is further provided that when such decisions are made by the Far Eastern Commission, "The United States Government shall prepare directives in accordance with the policy decisions of the Commission and shall transmit them to the Supreme Commander through the appropriate United States Government agency."

At the sixty-ninth meeting of the Far Eastern Commission held at 2516 Massachusetts Avenue, Northwest, Washington, D. C., on 7 August, 1947, the enclosed policy decision relative to Disposition of Funds Covering Fines Collected by Allied Military Occupation Courts was unanimously approved.

As Secretary General of the Far Eastern Commission, I have been instructed to forward this decision to you on behalf of the Commission, in order that the appropriate directives may be prepared and transmitted to the Supreme Commander in accordance with the Terms of Reference.

In adopting the enclosed policy decision the Commission agreed that it should be released to the press after being received by the Supreme Commander. In accordance with our normal procedure I would appreciate it if you could make arrangements to notify me when the enclosed policy decision has been received in Tokyo.

Sincerely yours,

Nelson T. Johnson
Secretary General

FEC-241/6

FEC-241/7FEC-RESTRICTEDFEC-241/725 August 1947FAR EASTERN COMMISSIONDISPOSITION OF FUNDS COVERING FINES COLLECTED BY
ALLIED MILITARY OCCUPATION COURTS
(Reference: FEC-241/6)Note by the Secretary General

1. The enclosure, a United States directive to the Supreme Commander for the Allied Powers forwarding a statement of policy of the Far Eastern Commission on the disposition of funds covering fines collected by Allied military occupation courts, is circulated herewith for the information of the Far Eastern Commission.
2. This directive was forwarded to the Supreme Commander on 12 August 1947.
3. A certified copy of this directive has been filed with the Commission in accordance with Section III, paragraph 4, of the Terms of Reference.

SAMUEL S. STRATTON
Acting Secretary General

FEC-241/7

FEC-RESTRICTEDE N C L O S U R EDISPOSITION OF FUNDS COVERING FINES COLLECTED BY
ALLIED MILITARY OCCUPATION COURTSSerial No. 86

12 August 1947

The following directive, serial number 86, prepared by the State Department to implement the policy adopted by the Far Eastern Commission on August 7, 1947, under the provisions of paragraph II, A, 1, of its terms of reference has been received from the State, War and Navy Departments for transmission to you for your guidance in accordance with paragraph III, 1, of those terms of reference:

"Since the Military Occupation Courts which have been appointed by your order in Japan partake of an international character, any fines imposed or other sums collected pursuant to orders made by such courts should be used in defraying the costs of the Allied occupation. All such moneys should be entered in a separate account and should be assigned to meet the occupation costs of the forces whose courts ordered payment to be made."

FEC-241/8FEC-241/824 April 1951FAR EASTERN COMMISSIONDISPOSITION OF FUNDS COVERING FINES COLLECTED BY ALLIED MILITARY OCCUPATION
COURTSDirective Serial No. 86
(Reference: FEC-241/7)Note by the Secretary General

1. In order to facilitate handling of records FEC-241/7 (25 August 1947), a U. S. directive to SCAP regarding disposition of funds covering fines collected by Allied military occupation courts, is from this date graded to UNCLASSIFIED.
2. FEC-241/6, the Far Eastern Commission policy decision upon which this directive was based, was declassified and released to the press 19 August 1947.
3. All holders of FEC-241/7 are requested to make the appropriate change in their copies of this document.

NELSON T. JOHNSON
Secretary General

FEC-241/8