

said before, I would ask to take a vote on the Soviet proposal first.

GEN. MCCOY: The ayes and nays have been called for in line with what I consider proper procedure. Do you vote aye or nay, Mr. Ambassador?

MR. PANYUSHKIN: Mr. Chairman, I think you have acted no in accord with the proper procedure and I refuse to vote. I don't think you have the right not to put the Soviet proposal to a vote because the Australian proposal is not an amendment to the Soviet proposal.

GEN. MCCOY: I expect to put the Soviet amendment to a vote immediately after this vote.

MR. PANYUSHKIN: Mr. Chairman, but this is quite a different proposal. In fact, it is devoted to a different question. It deals with representatives. It says that the Supreme Commander can't send representatives while the Soviet proposal says that the Supreme Commander can't send his representatives as observers-- in the capacity of observers. Therefore, I would ask to put the Soviet delegation's proposal to a vote first.

GEN. MCCOY: That ruling has already been made and the vote has been taken. What is your vote?

MR. GRAVES: Mr. Chairman, my instructions are to vote against the Soviet proposal. So, in order to clear the ground to get on with that, I shall vote against the present amendment.

GEN. MCCOY: The United States votes against the present amendment of the Australian Ambassador.

The tally, please.

MR. JOHNSON: The vote on the Australian substitute amendment is four in favor, three against, and four abstentions, which does not constitute a majority in favor of the amendment.

GEN. MCCOY: The amendment is therefore lost.

MR. PANYUSHKIN: Mr. Chairman, I would like the following to

be recorded in the minutes, that the Soviet delegation has refused to vote on the Australian proposal in view of the violation of the rules of procedure. In other words, it is not that the Soviet delegation abstained from voting but it has refused to vote.

GEN. MCCOY: Yes.

Gentlemen, the original motion of the Soviet Ambassador is now before you as amended. Is there any desire to have it reread? There seems to be none, so the amended motion of the Soviet representative, that is, a proposal relative to SCAP's decision to send a member of his staff to the Provisional Frequency Board at Geneva. I will turn to the left this time and ask the United Kingdom to vote on that amendment presented by the Soviet representative.

MR. GRAVES: I vote against.

MR. COLLINS: Mr. Chairman, just for my information, I believe the Soviet representative asked for a separate vote at one stage on paragraphs 1 and 2. Are we voting on the whole paper or only on paragraph 1 this time?

GEN. MCCOY: Well I was posing the whole paper.

MR. PANYUSHEIN: Mr. Chairman, I would ask for a vote on each paragraph separately.

GEN. MCCOY: Yes, that request is accepted, and instead of voting on the paper as I stated we will vote on the paper as proposed by the Soviet representative.

Will you read paragraph 1, please, Mr. Secretary General?

MR. JOHNSON: The question is paragraph 1 of the Soviet proposal, which reads:

"The Far Eastern Commission considers the decision of the Supreme Commander to send his representative and a Japanese expert to Geneva as a wrong one, since it has been taken by him in evasion of the Far Eastern Commission which is considering the paper concerning participation of representatives of the

Supreme Commander's Headquarters in the capacity of observers at inter-governmental conferences and without an appropriate instruction from the United States Government."

GEN. MCCOY: The ayes and nays on the first paragraph as read?

The United Kingdom?

MR. GRAVES: Against, Mr. Chairman.

MR. PANYUSHKIN: For.

MR. JOVELLANOS: Against.

MR. POWLES: Against.

DR. VAN GULIK: Against.

MR. NEHRU: Abstain.

MR. DARIDAN: Against.

DR. KOO: No.

MR. COLLINS: Against.

MR. MAKIN: Abstain.

GEN. MCCOY: The United States votes against.

DR. KOO: Mr. Chairman, I would like to make a declaration as regards the negative vote my delegation has just cast, that it was cast against the paragraph without prejudice to the position which my delegation takes on the substance and maybe the vote was cast mainly because of the form and phraseology in which it was cast.

GEN. MCCOY: That will be made a matter of record in the minutes.

Will you please announce the vote?

MR. JOHNSON: On the paragraph as read, the voting is 1 in favor; 8 opposed; and two abstentions. The paragraph is lost.

GEN. MCCOY: Paragraph 1 of the Soviet motion is lost.

We will now vote on the second paragraph. Will you please read it?

MR. JOHNSON: The question is paragraph 2 of the Soviet proposal relative to SCAP's decision to send a member of his staff to the Provisional Frequency Board meeting at Geneva. The paragraph is as

follows:

"The Far Eastern Commission does not share the United States Government's opinion stated in FEC-290 on the authority of the Supreme Commander in the matter of sending his representatives to inter-governmental conferences, since the Government of the United States does not also seem to take into consideration the circumstance that the said action was taken by the Supreme Commander at the time when the Far Eastern Commission had not yet solved the question under its consideration."

GEN. MCCOY: The ayes and nays will be taken.

The United States votes "nay". The United Kingdom?

MR. GRAVES: Against, Mr. Chairman.

MR. PANYUSHKIN: In favor.

MR. JOVELLANOS: Against, Mr. Chairman.

MR. POWLES: Abstain, Mr. Chairman.

DR. VAN GULIK: Against, Mr. Chairman.

MR. NERU: Abstain.

MR. DARIDAN: Against, Mr. Chairman.

DR. KOO: Abstain.

MR. COLLINS: Abstain.

MR. MAKIN: Abstain.

MR. JOVELLANOS: Mr. Chairman, I voted against the second paragraph not because the Philippine Government does not share the principle involved but because of the phraseology. We don't think it is a very good one.

GEN. MCCOY: That will be a matter of record in the minutes.

MR. JOHNSON: The voting on paragraph 2 of the Soviet proposal: 1 in favor; 5 against; and 5 abstentions. The paragraph is lost.

MR. PANYUSHKIN: Mr. Chairman, may I make a proposal?

I would like the following to be recorded as my statement.

and incorporated in the minutes:

"The Representative of the U.S.S.R. on the Far Eastern Commission considers the decision of the Supreme Commander to send his representative and a Japanese expert to Geneva as a wrong one, since it has been taken by him in evasion of the Far Eastern Commission which is considering the paper concerning participation of representatives of the Supreme Commander's Headquarters in the capacity of observers at inter-governmental conferences.

"The Representative of the U.S.S.R. also does not share the United States Government's opinion stated in FEC-290 on the authority of the Supreme Commander in the matter of sending his representatives to inter-governmental conferences, since the Government of the United States does not also seem to take into consideration the circumstance that the said action was taken by the Supreme Commander at the time when the Far Eastern Commission had not yet solved the question under its consideration."

Mr. Chairman, I would like to have this statement of mine incorporated in the minutes.

GEN. MCCOY: It will be.

MR. PANYUSHKIN: Mr. Chairman, I would like to have this statement of mine inclosed with the minutes.

GEN. MCCOY: Well, it will be part of the minutes, and in the procedure that we have adopted and carried out for two years--and there are other statements to be recorded in the minutes. I would be very glad to have the Soviet Ambassador consult with the Secretary General as to the procedure that will be followed in this case.

MR. PANYUSHKIN: Mr. Chairman, I don't consider my proposal as a violation of the procedure--just a technical matter. Just inclose the statement of the U.S.S.R. representative and that is all there

is to it. There is no procedural matter involved.

GEN. MCCOY: Well I would be very glad, of course, to do as any representative of this Commission wishes, but it is a matter of procedure that has been followed, and with the full approval of the Commission. I will ask the Secretary General to state how this wish of the Soviet Ambassador can be met in our usual procedure when such a request has been made. It has been made before, I think, on two or three occasions.

MR. JOHNSON: Well, hitherto, Mr. Chairman, a request of this kind has gone with a policy decision of the Far Eastern Commission and has been a request that the minutes or reservation be communicated at the same time that the policy decision of the Commission is forwarded. Otherwise we make no communication.

GEN. MCCOY: Except to send the minutes?

MR. JOHNSON: We don't send the minutes; the minutes are made for the Commission here. It is true that in the course of the procedures here the minutes and the documents are forwarded to those interested, including the Department of State and including SCAP, but it isn't a formal communication from the Secretary General to anybody. The only formal communication that I send to anybody is when the Commission has made a decision. I forward that decision to the Secretary of State. Now ordinarily there is at the same time made a request that certain statements accompany the decision. Now it will be recorded in the minutes; the minutes will be distributed; the distributed minutes in the normal process of being distributed to those interested will find their way to SCAP - but not with a special letter. That is the procedure.

MR. POWLES: Mr. Chairman, I don't feel that that is quite the point. The Soviet Ambassador desires, I believe, that his statement be recorded in the minutes in direct speech, in other words, the minutes should say either "Mr. Panyushkin" or "The Soviet Ambassador

made the following statement" and then quote.

MR. JOHNSON: Well we do that.

MR. POWLES: Well that isn't the same as incorporating the statement in the minutes. There is just a difference of phraseology. Our minutes are in indirect speech and there is a paraphrase of what we say, but I think the Soviet Ambassador merely desires that his exact words be put into the minutes.

MR. JOHNSON: Well that can be done without any trouble.

GEN. MCCOY: Is there any objection? That will be the case also of the Philippine and who else? There was another statement to go in—China—just a reservation.

Well, if there is no objection, those will be quoted as coming from the particular representatives in the minutes of this meeting.

MR. PANYUSHEIN: Yes, Mr. Chairman.

ITEM 3 - APPLICATION BY PAKISTAN FOR MEMBERSHIP IN THE FAR EASTERN COMMISSION (FEC-286/3; FEC-286/2, 286 series, Corrected Minutes, 86th FEC Mtg.)

GEN. MCCOY: Let's see, I think we can probably handle this before one o'clock. FEC-286/3 is a request by the United Kingdom member that the question of the application by Pakistan for membership on the Commission be placed on the agenda. FEC-286/2 is a proposed reply to the Embassy of Pakistan regarding their application. The application of Pakistan was discussed by the Commission on 15 January last and was tabled. However, up to this time no reply has been formally sent from the Commission to the Pakistan representative, so that the proposed reply is before you. Is that correct?

MR. JOHNSON: Yes.

GEN. MCCOY: Is there any objection or change desired in the reply to be sent by the Secretary General?

MR. GRAVES: Mr. Chairman, whilst this proposed reply states the case as we know it at the moment, and we assume that everybody

here agrees with the wording which is used in it, I still feel that it leaves it a wee bit naked and I wonder whether it isn't desirable from a courtesy point of view, if for no other purpose, we should add a short sentence to suggest in some way a manner in which the Pakistan representative from the Embassy could put forward his application, and if it is also the view of the colleagues on the Commission, I would suggest that we should add a sentence something in these terms:

"In these circumstances you may consider it desirable to address an application to the host government with the request that the views of the participating powers be sought on the question of the admission of Pakistan to the Far Eastern Commission."

That is just a suggestion for some other way in which his application could be brought to the notice of the governments.

GEN. MCCOY: If there is no objection, the Secretary General will reply with the added sentence suggested by the United Kingdom representative to make it a little bit more polite and helpful.

ITEM 4 - RESTITUTION OF LOOTED PROPERTY (FEC-011/44)

ITEM 5 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, FEC-298/1)

ITEM 6 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

ITEM 7 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS (FEC-201/1)

(There was no discussion of the above items.)

ITEM 8 - OTHER BUSINESS

GEN. MCCOY: Gentlemen, being five minutes of one, if there is no other business, I will declare the conference adjourned until next Thursday.

(The meeting adjourned at 12:55 P.M.)

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FAR EASTERN COMMISSION

Transcript of Ninety-ninth Meeting of the Far Eastern Commission.

Held in Main Conference Room, 2516 Massachusetts Avenue, N.W.

Thursday, March 25, 1948

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FAR EASTERN COMMISSION

Transcript of Ninety-ninth Meeting of the Far Eastern Commission.
Held in Main Conference Room, 2516 Massachusetts Avenue, N.W.
Thursday, March 25, 1948

Representatives Present

Major General Frank R. McCoy, Chairman	(United States)
Mr. H. W. Bullock	(Australia)
Mr. R. E. Collins	(Canada)
His Excellency Dr. V. K. Wellington Koo	(China)
Mr. J. Daridan	(France)
Mr. S. N. Banerji	(India)
Mr. O. Reuchlin	(Netherlands)
Mr. G. R. Powles	(New Zealand)
Mr. J. U. Jovellanos	(Philippines)
Mr. S. K. Tsarapkin	(U.S.S.R.)
Mr. H. A. Graves	(United Kingdom)

Secretary General

Mr. Nelson T. Johnson

CONFIDENTIAL

Reporter: Mr. R. Holts, Department of State--FEC

(The ninety-ninth meeting of the Far Eastern Commission, 2516 Massachusetts Avenue, N.W., Washington, convened at 10:40 A.M., 25 March 1948, Major General Frank R. McCoy, Chairman.)

GEN. MCCOY: Gentlemen, are you ready to open the session? If so, we will declare it in session.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE NINETY-EIGHTH MEETING

GEN. MCCOY: The minutes of the previous meeting are before you for correction and comment, and the Secretary General, I believe, has had some corrections which he has been asked to make.

MR. JOHNSON: Mr. Chairman, the Soviet delegate asks that the following be accepted as an amendment to the minutes of the 98th meeting of the Far Eastern Commission on the 18th of March. There is no indication as to where it shall be inserted. Oh, at the end of the minutes on page 11, and I quote:

"The Soviet representative stated that he opposed the addition suggested by the United Kingdom representative to the text of the letter to the Embassy of Pakistan on the request of admission of Pakistan to membership in the Far Eastern Commission since the text of the letter is exhaustive without this addition."

GEN. MCCOY: Would the Secretary General state from the minutes what occurred in reference to the letter to be sent in answer to the application of Pakistan?

MR. JOHNSON: Shall I read, Mr. Chairman, the verbatim?

(The Chairman nodded affirmatively.)

MR. JOHNSON: The verbatim account of what happened at the last meeting is as follows:

"Item 3 - Application by Pakistan for Membership in the Far Eastern Commission (FEC-286/3, FEC-286/2, 286 series, Corrected Minutes, 86th FEC Mtg.)

"GEN. MCCOY: Let's see, I think we can probably handle this before one o'clock. FEC-286/3 is a request by the United Kingdom member that the question of the application by Pakistan for membership on the Commission be placed on the agenda. FEC-286/2 is a proposed reply to the Embassy of Pakistan regarding their application. The application of Pakistan was discussed by the Commission on 15 January last and was tabled. However, up to this time no reply has been formally sent from the Commission to the Pakistan representative, so that the proposed reply is before you. Is that correct?

"MR. JOHNSON: Yes.

"GEN. MCCOY: Is there any objection or change desired in the reply to be sent by the Secretary General?

"MR. GRAVES: Mr. Chairman, whilst this proposed reply states the case as we know it at the moment, and we assume that everybody here agrees with the wording which is used in it, I still feel that it leaves it a wee bit naked and I wonder whether it isn't desirable from a courtesy point of view, if for no other purpose, we should add a short sentence to suggest in some way a manner in which the Pakistan representative from the Embassy could put forward his application, and if it is also the view of the colleagues on the Commission, I would suggest that we should add a sentence something in these terms:

'In these circumstances you may consider it desirable to address an application to the host government with the request that the views of the participating powers be sought on the question of the Admission of Pakistan to the Far Eastern Commission.'

That is just a suggestion for some other way in which his application could be brought to the notice of the governments.

~~SEN~~GEN. MCCOY: If there is no objection, the Secretary General will reply with the added sentence suggested by the

United Kingdom representative to make it a little bit more
polite and helpful."

And the subject ended there.

(See next page)

MR. GRAVES: Mr. Chairman, may I ask that the Soviet amendment to the minutes be read again?

MR. JOHNSON: The Soviet amendment is as follows:

"The Soviet representative stated that he opposed the addition suggested by the United Kingdom representative to the text of the letter to the Embassy of Pakistan on the request of the admission of Pakistan to membership in the Far Eastern Commission since the text of the letter is exhaustive without this addition."

MR. GRAVES: Mr. Chairman, I don't know whether I missed anything at the last meeting, but I haven't a recollection that there was opposition stated to the reply.

(Mr. Tsarapkin, the Soviet representative, spoke throughout the meeting by means of an interpreter.)

MR. TSARAPKIN: Mr. Chairman, of course no opposition was heard at the last meeting to the amendment suggested by the United Kingdom representative to the text of the application of Pakistan, but one has to recollect the circumstances under which the discussion of this amendment occurred at the last meeting.

The addition was proposed by the United Kingdom representative exactly at the last moment before the adjournment of the session. Besides, the wording of the United Kingdom proposal was such that an additional discussion of this text was required. The British representative himself said that he was suggesting something in the nature of the phraseology of that suggestion. However, no text in written form was presented to the members of the Commission. In fact, it was circulated after the meeting adjourned. It is natural that the delegates here had to hear this addition only by their ears and no formal vote was taken on that addition. I have also to note that this addition was passed in haste at the close of the meeting ^{and} having no text in front of itself the Soviet delegation

was unable to express its position on this British amendment. We are now asking to have our amendment incorporated in the text of the minutes since it was not possible to do so at the meeting last time.

Mr. Chairman, I am afraid I have to add that in the minutes of the 98th meeting no mention appears to the effect that this British amendment had been adopted. In fact, only the question of the Chairman is reflected and no discussion or any opposition to it or any opinion is expressed at all. It is clear that the question was not completed as it should have been.

MR. GRAVES: Mr. Chairman, I should like to say that I would like to assure the Soviet colleague that it certainly was not our intention to rush anything through at the last meeting—simply it happened through rush of time that a decision was taken. But the fact is that a decision was taken and as far as my recollection goes there was no opposition. I don't know whether anyone else had any objections but I certainly didn't and the verbatim record rather bears me out.

GEN. MCCOY: Well I think, gentlemen, the facts are before you that, as far as those proceedings of the last session, the Chairman at the time was not trying to barge the thing through hastily. It was in the nature of a letter which seemed to him at the time to be improved by the motion of the British representative in the sense of being more courteous and helpful to the representative of Pakistan in replying to his letter, and I still think that the British suggestion is a good one.

As a matter of fact, before I had proposed the draft it seemed to me lacking in some helpful attitude on the part of the Commission to give the applicant or petitioner a way of proceeding in a new procedure both to him and to this Commission, and I had in mind suggesting some addition myself when the British representative

made his. It simply gave the applicant sort of a post office address to which he could direct his application for the consideration of the member governments. The Chairman said that, if there were no objections, the Secretary General's reply would be communicated to the Embassy of Pakistan with the additional sentence suggested by Mr. Graves, and I heard no objection. It is the normal procedure for any matter that seems to be not substantive or a matter of policy-- simply a matter of procedure--and I'm somewhat perplexed in the sense of the wording of the Soviet representative for the minutes.

MR. GRAVES: Mr. Chairman, would it be equally suitable to the Soviet representative if he had something inserted in this week's minutes to the effect that he was not, in his opinion, given sufficient time to consider the suggested sentence and that if he had had time he would certainly have voiced an objection?

GEN. MCCOY: Possibly it wasn't so much a question of time as a question of a misunderstanding of the language of the Chairman or of the suggestion proposed by the Chairman on the initiative of the United Kingdom representative. I think it's easy to put the picture in the minutes of the meeting showing the situation of the Soviet representative, and possibly he could accept this suggestion of the United Kingdom.

MR. TSARAPKIN: Mr. Chairman, what does it mean--the situation of the Soviet delegation?

GEN. MCCOY: Well the wording here would look as though the suggested addition was opposed at the meeting. We've always been very liberal in having corrections and additions made to the minutes that would give the actual picture of what happened and I think that that is the case today--that we can possibly, by adopting some such change in the wording, the Commission would feel that the proper picture is given by the minutes.

MR. TSARAPKIN: Mr. Chairman, it seems to me that the whole

problem would be settled if, after the words in the minutes "General McCoy said that, if there were no objections, the Secretary General's reply would be communicated to the Embassy of Pakistan with the additional sentence suggested by Mr. Graves", the wording suggested by us were added without any alterations and without any reference to the time factor and all that.

GEN. MCCOY: Well the fact remains that there were no objections made during the session of the Commission. It would have been proper, I think, at the time if the Soviet representative had not understood the language or the meaning of the language that he should have made a reservation or ask reconsideration—something of that sort that would have made the record correct. However, I'm not standing on technicalities except as to the fact that the letter was approved by the Commission without objection during the formal session.

MR. GRAVES: Mr. Chairman, may I put my question again, whether it wouldn't suit the Soviet purpose if he recorded in this meeting's minutes the fact that he had in his opinion not had sufficient time to consider it and that if he had then he would certainly have raised objection? That would get the Soviet point of view into this meeting's minutes and would be strictly in accordance with facts.

GEN. MCCOY: That would be agreeable to the Chairman if it is to the Commission.

MR. TSARAPKIN: Mr. Chairman, I didn't attend the last meeting of the Commission, but I would like to hear the confirmation to the fact that the exact text of the British amendment was distributed after the session had adjourned—the formal meeting of the Commission had already adjourned.

GEN. MCCOY: I don't know myself. Would you make the statement so that it will be in the record, please?

MR. JOHNSON: Mr. Chairman, the text of the additional sentence

offered by the United Kingdom representative was read to the Commission by the United Kingdom representative. It was written on a paper and then subsequently handed to me for recording in the minutes. It was not distributed textually to the members of the Commission during the meeting.

MR. POWLES: Or afterwards, might I add, Mr. Chairman. As far as my recollection is concerned there was no distribution of the text.

MR. JOHNSON: No distribution. It was a sentence that was read to the Commission by the delegation that offered it and handled orally.

GEN. MCCOY: The Secretary General informs me that at the session no request was made for a copy of the suggestion. I think it was taken as understood by those at the table. However, after the session a representative of the Soviet delegation expressed to me personally the fact that there was not an understanding of the English of the language and asked for certain clarification and I referred him to the Secretary General to get that clarification. I think, with the recording of this discussion, it could be completely cleared up for the record, and with a complete understanding of the position of the Chairman and of the Soviets if they would now accept the suggestion of the United Kingdom representative. Possibly that ought to be written out. Could I have a draft?

MR. GRAVES: Yes.

DR. KOO: Mr. Chairman, just for my information, has the reply been dispatched as adopted by the Commission at the last meeting?

GEN. MCCOY: Yes. I will declare a recess for five minutes.

(The meeting recessed at 11:10 A.M.)

(The meeting reconvened at 11:25 A.M.)

GEN. MCCOY: Gentlemen, the session will continue, and the question at issue as to the minutes will be brought to your atten-

tion later on.

Are there any other corrections or changes to the minutes?

MR. POWLES: Mr. Chairman, on page 2 of the minutes, in the third paragraph of the remarks attributed to me, line 3, there is a sentence which begins, "The Commission could pass a policy decision", could I have the words inserted, "The Commission could under its terms of reference pass a policy decision...?"

GEN. MCCOY: If there are no objections that will be done.

MR. POWLES: And then, Mr. Chairman, in the last paragraph on the same page it says, "For these reasons, Mr. Powles said, he would have to vote against FEC-290/2 although he wished against to emphasize..." I don't think that correctly interprets what I intended to say, and I think what I did say--I would like a period put after FEC-290/2, strike out the although and begin with a capital: "He wished again to emphasize that his Government disagreed with the manner in which..."

GEN. MCCOY: If there are no objections this correction will be made.

MR. BULLOCK: Mr. Chairman, just one amendment at the top of page 4, the Australian Ambassador, Mr. Makin said, "The terms of reference stipulated that the United States Government must issue interim directives..." I would like the word "must" to be altered to read "could".

GEN. MCCOY: If there are no objections that correction will be made. There seems to be no other corrections.

MR. BANERJI: Mr. Chairman, Mr. Nehru is out of town at the present moment and could not look over these minutes. I do not know whether he has any suggestion to make as regards the words attributed to him, and I shall be grateful if you will allow me to pass on to the Secretariat any changes he may like to make in his remarks.

GEN. MCCOY: Yes. If there are no objections, the Indian repre-

representative will reserve the right to make corrections on the return of Mr. Nehru. If there are any changes in substance they will be brought to the attention of the Commission.

ITEM 2 - BOLIVIAN REPARATIONS CLAIM (FEC-247/12, SC-247/11, 247 series)

GEN. MCCOY: FEC-247/12 is a proposed reply to a communication received by the Secretary General from the Ambassador of Bolivia concerning a Bolivian claim for reparations against Japan. The enclosure is SC-247/11. It was approved by the Steering Committee this week. The Soviet position is reserved as to whether any reply is necessary and as to the exact text of the reply.

Will you read the reply, Mr. Secretary General?

MR. JOHNSON: Mr. Chairman, the following is the proposed draft:

"My dear Mr. Ambassador:

"I have your letter of March 17 inquiring whether any action has been taken by the Far Eastern Commission on the claim submitted by the Bolivian Government in the case of Mr. Jose Luis Saravia, former Consul General of Bolivia in Yokohama, which was presented to the Far Eastern Commission in your letters of July 18, October 3, and November 25, 1947.

"I am instructed to reply that the Commission has under consideration the question of national claims against Japan, but has not, as yet, reached any policy decision with regard to it. I can assure you that when such a decision is reached you will be promptly advised."

GEN. MCCOY: This seems to be at a glance a routine matter and courteous reply without any commitment on the part of the Commission. However, it was sent up from the Steering Committee with a reservation on the part of the Soviet representative.

MR. TSARAPKIN: Mr. Chairman--

GEN. MCCOY: My attention is called by the Secretary General to the fact that the reservations of the Soviet member were recorded as follows:

"The Soviet member requested that his position be formally recorded as reserved on the following two points: whether any answer is necessary to the Bolivian Ambassador, and the precise phraseology of the enclosure."

MR. TSARAPKIN: Mr. Chairman, the Soviet delegation has no objection to the sending of this letter to the Bolivian Embassy.

GEN. MCCOY: Is there any objection or discussion desired by any member present? There seems to be none, so that, there being no objections, the reply of the Secretary General as read will be sent.

ITEM 3 - CHARGES FOR INDIGENOUS PORT FACILITIES FURNISHED TO FOREIGN VESSELS IN JAPANESE PORTS (T-036)

GEN. MCCOY: This subject was placed on the agenda at the request of the Soviet representative. Do you care to give us your position on that, Mr. Minister?

MR. TSARAPKIN: Mr. Chairman, on this item of this morning's agenda the Soviet delegation has to state the following:

"Statement of the U.S.S.R. Delegation on the Far Eastern Commission on the Question of Charges for Indigenous Port Facilities Furnished to Foreign Vessels in Japanese Ports"

"The Headquarters of the Supreme Commander for the Allied Powers in Japan has circulated to foreign missions a circular, dated 23 December, 1947, dealing with the charges for port facilities to be collected from foreign vessels when they call at Japanese ports as from 1 January 1948. This measure, as is seen from paragraph 2 of the circular, should be considered as an expression of the policy carried out in regard to foreign vessels in Japanese ports. One's attention is attracted to the fact that it is implied to introduce the collection of

the port facilities charges in United States dollars, and not in the yen which is the legal means for payments in Japan.

"The above-mentioned circular of the headquarters of the Supreme Commander for the Allied Powers, issued without the knowledge of the Far Eastern Commission and without consultation with the Allied Council for Japan, is in contradiction with the decisions adopted at the Moscow meeting of Foreign Ministers in December, 1945.

"This question clearly belongs to the jurisdiction of the Far Eastern Commission and until the adoption of a decision on it by the Far Eastern Commission, the Supreme Commander's circular of 23 December 1947 cannot have a legal force."

GEN. MCCOY: Are any of the chairmen of the working committees here conscious of this subject having been brought up heretofore? Let me see, that would be Committee No. 2, I believe, that would naturally concern itself with such questions.

Mr. Ford, I believe you are Chairman of that Committee.

MR. FORD: Mr. Chairman, this subject hasn't been discussed in the Economic and Financial Committee during the period of my chairmanship but I believe it has been discussed in the Inter-Allied Trade Board. Mr. Bullock is a member of the Board.

GEN. MCCOY: Could you give us any background about that, Mr. Bullock?

MR. BULLOCK: Well, Mr. Chairman, I personally have no recollection of any discussion of the charges for indigenous port facilities. The question generally, I think, has been discussed in the Inter-Allied Trade Board of the payment for certain services in Japan, but I don't have any recollection of any discussion about the ships. I think the chairman of the Inter-Allied Trade Board is in the room somewhere, Mr. Whitman. I think he might be able to tell us.

GEN. MCCOY: Mr. Whitman, could you throw any light on the back-

ground?

MR. WHITMAN: Mr. Chairman, the few meetings I have attended the Board I don't remember any discussion.

GEN. MCCOY: Is anybody familiar with what's happened? Of course, this wasn't published in vacuum; there must have been regulations prior to this for the last two or three years. Is anybody familiar with the authority under which such regulations might have been issued by the Supreme Commander?

My remembrance is that the problem of the ports and marine shipping is handled under the Navy of the United States which, of course, is operating generally under the Supreme Commander as the commander of the forces there both naval and military, so that it seems there is a good deal of information that will have to be furnished and I would naturally refer this new subject to the proper working committee for consideration. So that, if there is no objection, I will refer the statement and the paper of the Soviet representative to Committee No. 2, isn't it?

DR. BLAKESLEE: Yes.

GEN. MCCOY: Committee No. 2.

MR. POWLES: Mr. Chairman, in raising no objection to that course, I should like it to be understood that the New Zealand delegation regards the Soviet statement as in the nature of an initiation of a review by the Commission of an action by the Supreme Commander and, in raising no objection, I don't want it to be taken as understood as agreeing to the suggestion made by the Soviet delegation that the Supreme Commander's circular cannot have legal force.

DR. KOO: Mr. Chairman, I have no objection to the course of action that has just been suggested for this paper. I would like to raise a point just for information.

I understand that this paper in one respect was brought up for discussion not in this Commission or in any of the committees

of the Commission but in Tokyo at the 17th meeting of the Reparations Technical Advisory Committee on the proposal of the Chinese member, with reference to the Provisional Circular No. 16 which is the circular in question, namely, the circular regarding the levy of port facilities charges on vessels coming to Japan, among other things reparations goods, on the basis of a FEC policy decision, FEC-094/3. The matter was discussed. As the result of discussion, certain points were agreed to at the 18th meeting of the Reparations Technical Advisory Committee for the revision of this circular, and I understand that the representative of the SCAP who was present at that meeting of the Advisory Committee, that is to say, at the meeting of the Reparations Technical Advisory Committee, agreed to recommend to his superior an amendment of Circular No. 16 on the basis of the point agreed to at that meeting. Now, the point I would like to ask for information is whether a copy of the circular to be revised on the basis of the agreement reached in the Reparations Technical Advisory Committee has been received here and, if so, whether it could be distributed for the study of the members of the Commission?

GEN. MCCOY: My assistant tells me that we have not that information yet but that we will hasten to obtain it for the information of the committee and the Commission.

MR. TSARAPKIN: Mr. Chairman, what is the decision of the Soviet delegation's statement?

GEN. MCCOY: That it and the paper that was submitted before, that is now before the Commission, would be referred to Committee No. 2 for consideration, and the information asked for by the Chinese Ambassador will be furnished to that Committee.

MR. TSARAPKIN: Is No. 2 the proper committee?

GEN. MCCOY: I should think so. I would be glad to have your opinion, however.

MR. TSARAPKIN: Probably Committee No. 6 would be the proper committee. It deals with such matters as taxation and levies.

GEN. MCCOY: It seemed to me that Committee No. 2 would be the proper committee, but if you wish to have it referred to Committee No. 6, then, if there is no objection on the part of the Commission, I have no objection.

MR. TSARAPKIN: Mr. Chairman, we consider the reference of this question to Committee No. 6 more proper because that Committee deals with questions of the establishment of taxation and also some dues from aliens in Japan.

GEN. MCCOY: Well, if there is no objection on the part of the Commission, it will be referred then to Committee No. 6.

DR. KOO: Well I have no objection to that, but, Mr. Chairman, this question also involves the question of the ^{shipment} of reparations goods and I wonder whether the committee, if it is to be referred to Committee No. 6, whether that committee should be instructed to consult Committee No. 1 in relation to the question of the shipment of reparations goods and the cost of shipping them. As I said a while ago, the particular point stressed by the Chinese member in the Reparations Technical Advisory Committee was with reference to the payment of port facilities dues in connection with the loading of reparations goods. In fact, Committee No. 2 also would have a great deal to do with that. Now I do not know in what way under our procedure we could utilize the collaboration of the committees concerned because this paper covers questions which do not fall exclusively under one committee—certainly not exclusively under Committee No. 6. So, if it is to be referred— if the whole paper is to be referred to Committee No. 6, then I think the Commission will be well-advised to direct Committee No. 6 to consult the other two committees interested in certain parts of the paper for joint discussion or for separate discussions.

MR. BANERJI: Mr. Chairman, I agree with the views just expressed by the Chinese Ambassador and I think the proper course would be--of course it is in the purview of Committees No. 1, 2 and 6--the best course would be to refer it to the Steering Committee.

GEN. MCCOY: To what?

MR. BANERJI: To the Steering Committee for discussion.

MR. GRAVES: Mr. Chairman, we have had another case very much like this--patents--trademarks--and when we did decide on the master committee, as the Chinese Ambassador said, we gave instructions to the master committee to confer with the other two committees--Nos. 1 and 2--and I should think that would be the best procedure in this case. There are the reparations aspects and also the financial aspects. If we nominate No. 6 as the master committee and instruct them to confer with Nos. 1 and 2, then we should cover the whole paper.

MR. BULLOCK: Mr. Chairman, I would agree with that except that I couldn't believe that Committee No. 6 would be the master committee in this case. I think the master committee surely must be Committee No. 2. I mean this really is essentially a financial and economic question and, with all respect to Committee No. 6, this is not the type of question which Committee No. 6 is most competent to deal with.

MR. REUHLIN: Mr. Chairman, may I support Mr. Bullock's words? I am of the opinion that Committee No. 6 is more or less of a juridical nature. It is not here a question as to whether you should pay these dues but it is a question of which exchange you are going to pay them, so it is more a question for a financial expert than it is a question for a jurist to decide. Taxation is not the matter; it is ^{not} a question of whether aliens could be taxed or whether they should not be taxed. Here there is no question,

I am sure, in the Soviet representative's mind as to whether these dues should be paid. It is only a question of what money they should be paid, and that, in my mind—I agree with Mr. Bullock—is purely a financial question for financial experts and therefore I should think the master committee would be Committee No. 2.

GEN. MCCOY: Well—like the girl with a great many lovers, I am apt to act on the last pass for action. (Laughter)

If there's no objection then, we will refer the paper and statement and the attendant information to Committee No. 2 as the master committee with instructions to consult Committees No. 6 and 1. If there is no objection that will be the procedure.

Items 4 and 5 come up from the Steering Committee with divided positions and I want to query the Chairman about this problem where five or six nations have reservations or lack instructions in both papers, so that neither of them seem to me in the proper consideration for the action of the Commission. I would defer to the Chairman to remark on that.

It has been our custom, and I think it has shown, that the papers ought not to come before the Commission until we get, you might say, almost agreement rather than have them come up quite obvious that this Commission has many problems that will continue to need discussion, and it is hoped that substantive papers involving policy should be held at the Steering Committee level with the hope that we can approach agreement there before finally coming before the Commission. But I defer to the Chairman, who has handled that Committee so well that I don't want to cast any aspersions on any action of the Committee, I simply bring it to your attention for the consideration of the Commission in these cases and in like cases.

MR. REUHLIN: Well, Mr. Chairman, I may say that of course

these decisions are decisions of the Steering Committee as such and not of the Chairman of the Steering Committee, and I think the Chairman in such a case, if there is a vote--and there was a vote taken in these cases--and the vote is in favor of sending it up to the Commission, the Chairman merely is the instrument of sending it along and can't very well do anything else than send it up. I hope that members of the delegations who are present here and are also present at the Steering Committee of course have listened now to your remarks and I still feel that in the future they probably by a majority vote will send a paper up if they so decide. I would like to do something about it if perhaps I could because I also feel that it would be much better perhaps to have an agreement at a lower level, although at some points we may get a quicker decision in this Commission because it's a higher level and instructions from governments might come perhaps at greater speed--and I think that was the majority of the Steering Committee's opinion that, by sending them up to the Commission, we would so break the deadlock in which we found ourselves.

GEN. MCCOY: Well that sounds very reasonable.

MR. POWLES: Mr. Chairman, I should like to rush to the support of the Chairman of the Steering Committee as being a member of one of the delegations that were in favor of both of these papers being forwarded to the Commission, and with very great respect to you I should like to express a contrary opinion as to how I feel the business of the Commission as a whole should be carried out. I think that if your argument were carried to its logical conclusion the Commission itself would be nothing more nor less than a rubber stamp for the approval of work which had been done in the committees, and I really quite strongly feel that that isn't a correct way of looking at it.

I think that the business of the working committees is to

clarify the issues, to obtain all necessary information, and to produce papers in such a form that decision can be taken on them, but it is not the business of any of the working committees, including the Steering Committee, to attempt to take final decisions when those decisions involve matters on policy on quite a high level. And I have personally felt that the increased measure of deliberation--real, definite deliberation and discussion--which has taken place in the Commission in the last two or three months has been a good feature of the Commission's work, and I think it would be rather unfortunate if we were to retire to the manner of carrying out our business which took place in perhaps the first year or so of the Commission's work in which, as you correctly referred, the Commission very seldom discussed a matter at all. It either merely passed a policy which had already been discussed or else it remitted it back to a committee, and we will all remember--perhaps some of us with pleasure--those meetings of the Commission which finished at about 11:00 o'clock and 11:15. Sometimes we didn't have a meeting because there was no business.

Now, I feel that the way we are working now is better and should produce results because issues are being clarified, and those issues involve matters of policy which can't really be settled at a working committee level. And I would feel, sir, that you might perhaps care to reconsider the general lines of approach that you have just taken, in view of the feeling that I have, which I think is fairly shared by some others around this table, that there is a very great advantage in these discussions that we have in the Commission here once the issues are presented, clarified properly by working committees.

GEN. MCCOY: Well both your remarks are helpful and wise, as usual, and I just raise the query for such comeback. However, I will call attention to the fact that in the course of our rather

long career we did get almost fifty papers through with full agreement and since we have been considering these substantive problems in the Commission I think we've gotten one paper through in the last three months. So that there's a middle of the road of compromise that I am conscious of and I am not laying down any marked objection other than having your opinions. And that's the reason I brought it up.

Are there any other opinions from the members of the Commission on this subject?

MR. BULLOCK: Mr. Chairman, I should like to support the remarks of the New Zealand representative.

GEN. MCCOY: We'll proceed with Item 4 then.

ITEM 4 - CIVIL AVIATION IN JAPAN (FEC-245/18; -/17, SC-245/16, 245 series)

GEN. MCCOY: FEC-245/18 is a proposed policy decision approved by the Steering Committee on 23 March. The Soviet member opposed the paper and the Australian, French, Philippine, United Kingdom and United States positions are reserved, the Australian and United Kingdom reservations being specifically on the wording of the final clause of paragraph 5.

Is it desirable on your part at this time to have discussion on that paper? Otherwise, in view of the reservations and desire for postponement, it will be kept on the agenda and effort made to carry out Mr. Powles' suggestion of keeping it there until we get some action.

ITEM 5 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3; 300 series)

GEN. MCCOY: FEC-300/3 is a proposed policy decision approved 24 March by the Steering Committee by a vote of 5 to 2. The United States member, who was without instructions, and the Philippine member opposed the proposal. The Chinese, Indian, Soviet and United

Kingdom members abstained. The Soviet member, in abstaining, indicated that without clarification of the meaning of the word "technical" the Soviet delegation would be unable to approve the paper.

That, evidently, needs continued and prayerful consideration, so that, if there is no objection, it will be postponed and held on the agenda hoping that we can get this policy paper agreed to shortly.

ITEM 6 - RESTITUTION OF LOOTED PROPERTY (FEC-011/44)

GEN. MCCOY: FEC-011/44 is a proposed policy decision submitted by the Chinese representative.

DR. KOO: Mr. Chairman, my delegation has submitted this paper in view of the fact that the original paper, which failed of adoption by the Commission, so failed merely because of the negative vote of one delegation, and we consider the paper of such great importance and covers so many question that we feel it was something of urgency. But, since the submission of this paper, in this week the United States Government has issued ■ interim directives and, while for the present I am not prepared to comment on that, I will not press for a discussion of the Chinese paper unless the other members of the Commission are ready to engage in it. If the members of the Commission are inclined to consider that a little time will be necessary before they could join in the discussion of the Chinese paper, my delegation would have no objection.

GEN. MCCOY: What committee handled that original paper?
No. 1, was it?

Mr. Ambassador, I would, having in mind the history of the former paper, like to very much find some way of getting agreement on it, but I think that is a paper that now could best be handled in Committee No. 1 with our experts for the time being, because you will remember in the discussion there were a great many complexities brought up and it seems to me that a number of them can

be ironed out so that we can more easily reach agreement at this level. So that, if there is no objection on your part, I will ask that the paper be referred to Committee No. 1 to continue their work on this that did bring practical agreement before - but there are now important amendments to be considered that were not acceptable in the original paper. So that I would like to have it reconsidered by that committee if there is no objection.

DR. KOO: I have none, Mr. Chairman.

GEN. MCCOY: It is so ordered.

ITEM 7 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, -/1)

GEN. MCCOY: Item 7 is held on the agenda at the request of the Soviet representative. Have you any objection to that being removed from the agenda now or do you wish it kept on the agenda?

MR. TSARAPKIN: Kept.

GEN. MCCOY: At the request of the Soviet representative Item 7 will be continued on the agenda.

If there is no objection I will move down to Other Business and look about to see if there is any point that should be brought up.

DR. KOO: Mr. Chairman, may I say a word in regard to Item 8, the question of reparations?

GEN. MCCOY: Yes.

ITEM 8 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

b REPORT OF COMMITTEE NO. 1 TO THE FAR EASTERN COMMISSION REGARDING DIVISION OF REPARATIONS SHARES (FEC-219/25, 219 series)

GEN. MCCOY: Item 8 - a and b is before you, as for some time, and we will be glad to hear from the Chinese Ambassador.

DR. KOO: Mr. Chairman, I merely wish to once more express the keen desire of my Government to see this question reach some agreement as early as possible. It does not call for any reiteration of

the importance which my Government attaches to this whole question and, as there has already lapsed a considerable time since we last discussed it, I wonder whether you, Mr. Chairman, have any more encouraging development to report, and if not at this meeting, whether at the next meeting we could get some indication as to how the situation as a whole stands?

GEN. MCCOY: Well, Mr. Ambassador, I am afraid I can't give any very hopeful report on any changed attitudes of the nations concerned. Unfavorable responses were made by France, India, the Netherlands, the U.S.S.R., and the United Kingdom, and the United States has done everything it can think of to further agreement. It's just a question of getting together in some way and I will, of course, be conscious of your attitude, and very helpful one, in trying to get agreement heretofore, but so far there has been no change in particular in the attitude of the nations that have to concur. But here again, as Mr. Powles said, we need having it before this Commission—any subject—it does bring it to the point where we are stimulated to recurrent action and interest, and I will at least be conscious of renewed interest and hope that you can by your usual wise way have meeting situations and help me in dealing with my share colleague.

DR. KOO: Mr. Chairman, may I say that I feel very grateful for what you have been doing to facilitate agreement, and when I say that I say so from my own knowledge and experience of your exertions in the hope of bringing about some agreement. And I share your disappointment that the question has not made more progress. But we do hope that some way could be found to at least resume discussion, if possible, either in the Commission here or in the proper committee, which would be Committee No. 1, if the chairman of that Committee thinks it is a good suggestion, or to resume informal exchanges of views outside of formal meetings, because we are very

desirous of seeing this question settled—not only for my country's interest but I believe also for the interest of all the claimant countries, because these assets which may be made available for reparations have been lying and exposed to deterioration and thereby the value of such assets will continue to diminish. So I raise this question in the hope to arouse the interest of my colleagues around the table and to concert further efforts with a view to reaching some agreement.

ITEM 9 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS (FEC-201/1)

(There was no discussion of this item.)

ITEM 10 - OTHER BUSINESS

GEN. MCCOY: It's now 12:25, so I think, with your permission, I will turn to the Soviet representative to see if we can arrange to have the minutes so corrected that we may agree on them.

MR. TSARAPKIN: Mr. Chairman, do I take it that the approval of the minutes of the last meeting will be done at the next meeting?

GEN. MCCOY: Oh, as I understand it, then, the Soviet wishes more time to consider the point of finding an acceptable way of having the minutes show the position? Do I understand he wishes the subject taken up at the next meeting?

MR. TSARAPKIN: Mr. Chairman, I will agree to postponement of the minutes, but I understand that the approval will be done at the next meeting depending on the wording that we will present.

GEN. MCCOY: Is there any objection to postponement so that the Soviet representative can ask for certain correction at the next meeting instead of closing the record at this meeting?

DR. KOO: Well, Mr. Chairman, I would like to offer a suggestion which perhaps would modify the suggestion made by the Soviet representative: the Commission approve the minutes today except that one particular item, because I think the point which the Soviet repre-

representative desires to be considered is Item 3 at the bottom of page 10 whereas there is no divergence of views or any desire for further corrections as regards the other nine pages. So that I would suggest that the Commission approve the minutes leaving only Item 3 open for future approval. In that way we go on the basis that the main body of the minutes is approved. I wonder if that will be acceptable to the Soviet representative?

MR. TSARAPKIN: It is acceptable.

GEN. MCCOY: If there is no objection, the minutes will stand approved subject to further consideration of Item 3--

DR. KOO: Yes.

GEN. MCCOY: --of the minutes at the request of the Soviet representative.

If there is no further business of the Commission, we stand adjourned.

(The meeting adjourned at 12:25 P.M.)