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"MANCHURIA"

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Authority
NND 795020
DATE 12/6/11



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Authority NND 795020

By EG NARA Date 12/6/11

GENERAL HEADQUARTERS 6-2 FAR EAST COMMAND

File. 091 Manchuria

Date From Jan To Dec 49

Line No 1 To

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SUBJECT: Conditions in Dairen

TO : Director of Intelligence, General Staff, United States Army,
Washington 25, D. C.

1. Reference is made to Department of Army radio WAR SVC 8923, dated 26 July 1948 which requested information secured from repatriates regarding conditions in Dairen.

2. Attention is invited to the reports listed below which were transmitted to your office in 1947 and 1948 and which contain the type of information desired:

a. Civil Intelligence Section, Special Report, "Repatriates From Dairen", dated 26 June 1947, transmitted to Director of Intelligence by letter, Assistant Chief of Staff, G-2, General Headquarters, Far East Command, subject: "Soviet Dominated Areas - Repatriates From Dairen", dated 10 July 1947.

b. Civil Intelligence Section, Special Report, "The Yen-an Faction in the Japan Communist Party", 1 August 1948, which was transmitted to Director of Intelligence by letter, Assistant Chief of Staff, G-2, subject: "The Yen-an Faction in the Japan Communist Party", dated 19 August 1948.

c. Section IV, issue 34, Periodical Summary of Civil Intelligence Section, General Headquarters, Far East Command, dated 15 November 1948.

3. Forwarded herewith is Summary of Information, subject: "Conditions in Dairen Kwantung Leased Territory As Described in Reports of Repatriates from Dairen to Japan", dated 13 January 1949 which relates current information.

For the Assistant Chief of Staff, G-2:

1 Incl:
S/I, subj: Dairen Conditions,
dated 13 January 1949.

S. W. KOSTER
Lt Colonel, GSC
Asst Executive Officer

MEMO FOR RECORD:

Radio listed para 1, this ltr, req. copies of rpts made re-Dairen economy, relations of Japs w/Soviets, problems of remaining Japs, Sino-Soviet friction, growth Communist influence. This cites reports previously rendered and forwards S/I with latest info available. Info copies to DAI Div and T/I.
Dr. Simmons. 26-5663

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APO 500

13 January 1949

SUMMARY OF INFORMATION

SUBJECT: Conditions in Dairen Kwantung Leased Territory as described in Reports of Repatriates from Dairen to Japan.

1. Information contained in the reports of the interrogations of repatriates from Dairen indicates that after the termination of hostilities in August 1945 Dairen was subjected to looting and confiscation first by the Russian troops and then by the Chinese. Japanese were not safe on the streets and barricaded themselves in their houses. Cases of assault, rape and murder were frequent. Schools and shops were closed and all economic activity came to a halt. To the 270,000 Japanese who are reported to have resided in Dairen before the Occupation were soon added other Japanese, refugees from the hinterland or those sent or fleeing from Port Arthur and other occupied areas. This influx is reported to have brought some 100,000 more Japanese to share the accommodations of those already in Dairen. A repatriate reports in February 1947: "Those who could support themselves were received individually into Japanese homes; others lived in refugee quarters in various schools, temples and shrines." Accommodations became more and more limited, as houses were requisitioned for the military, confiscated or wilfully destroyed. The isolated situation of Dairen due to the suspension of service of the South Manchurian Railway early in 1946 resulting from constant friction between the Nationalist and Communist Armies caused extreme inflation and the price of food became prohibitive. An income of 10,000 yen a month was required to eke out a bare living. Food was rationed in February 1947 by the Occupation authorities but distribution was discriminatory, and many were reduced to eating grass and weeds; and for most, even the fullest rationed diet procurable was inadequate. While no general epidemics have been reported, there was an increased rate of illness and an appalling amount of malnutrition and actual starvation. Hospitals were taken over by the Russians and Chinese and the equipment and store of drugs removed; doctors and nurses were few and frightened. A repatriated doctor states: "Those who should have been hospitalized numbered not less than 10,000."

a. During the first two months of occupation Dairen was silent and deserted; it might have been a city of the dead. Then the Russians ordered schools and shops reopened "to give the city an appearance of activity". However, half the schools remained closed, as the buildings were taken over by the Occupation, and, with industry in the hands of the Russians and the Chinese Communist Army, all industrial and economic life of the city itself ceased. An American citizen who was repatriated from Dairen with other Foreign Nationals in 1948 reports: "Dairen is in technical control of the Chinese but is actually controlled by the Russians." "Even Dairen", reports a 1948 repatriate, "which fell into the hands of the communists by comparatively peaceful means has decreased to two hundred and fifty thousand in population. This is 30% less than at the end of the war, and besides half of the present population consists of displaced people. The city has gone back to its former days and wolves and wild dogs are in the streets."

b. When the Chinese took over they banned all Japanese societies, associations and welfare groups. This left the Japanese with no method of handling their people's welfare and medical care. In March 1946 the Japanese were ordered by the Soviet Police Commissioner to form the Japanese Labor Union (NIHON-JIN RODO KUMIAI) to correct this situation.

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The Japanese Labor Union, under the Chinese (and ultimately the Russian) authorities at this point became the arbiter of Japanese lives in Dairen. All reports are that welfare of the Japanese has been and is the last consideration of this group in spite of the fact that since it is the only Soviet-recognized Japanese organization, all rationing, welfare and health activities are its province. It is reported to be entirely Communistic.

c. The Dairen Group Conference on Repatriation Policy (HIKIAGE TAISAKU KYOGI KAI) was established "under the instructions of the Soviet Army and the Dairen Municipal Government" when the Dairen people first learned that they were to be repatriated, for the purpose of directing repatriation. Unfortunately, this conference seems always to have been wholly in the hands of the Labor Union, with the result that repatriation has been administered in the same manner and with the same results as rationing.

2. In regard to present local economic conditions, relations of the Japanese with the Soviets, problems of the remaining Japanese, difficulties of the Soviets with the Chinese, and the progress of Communist influence:

a. Local Economic Conditions in Dairen in 1948

- (1) Industry in Dairen is entirely in the hands of the Russian Army and the Chinese Communist Army; with a few exceptions no plants are in operation other than those which have been diverted to production for the Russians or the Chinese Communist Army. Machinery has been confiscated and removed, with any durable goods of the heavy industry type (locomotives, rolling stock, cranes, etc.), either to Occupation-operated plants or entirely out of the area to Russia. Such industries as were left intact are producing ammunition, explosives, clothing and other supplies for the Occupation forces and the Eighth Route Army.
- (2) Ground Transportation: Trains are off-limits to Japanese and travel-permits are almost impossible to obtain. Railroads are run by Russian troops in civilian clothing. Street cars have kept running in Dairen (although there is some mention of even car-tracks being confiscated) and the city bus system continues to operate. Russian trucks and busses run regularly once daily on schedule to a point near the Kwantung Leased Territory (KLT) border. Private cars or taxis for any but official use have entirely disappeared.
- (3) Air Transportation: There are regular daily flights of Russian transport planes between Dairen and Haiso, Korea, presumably for the authorities only.
- (4) Public Utilities: It is reported that the gas companies have ceased to operate; there is no municipal gas. The electric and water systems still operate; it is stated that some pumps were removed from the water system, and that a number of transformers and turbines from the electric system have mysteriously disappeared. Two hundred and twenty thousand volts of current is reported to be brought in from a hydro-electric plant in Suiho, Manchuria. Supply of electricity is controlled by the Soviet Army; repatriates report that there is none for private houses. The

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local telephone still operates but there is no communication outside KLT. There is no cable service and the telegraph is in the hands of the Russian military. Postal service is generally discontinued. There are reports of rare unscheduled mail deliveries. Streets and roads are reported for the most part in bad condition. Firefighting equipment is said to be much reduced. However, there is no report of increased fire losses. Public sanitation practices are reported to be stressed everywhere; an unusual number of personnel is employed in street cleaning.

- (5) Radio: Short-wave radios and those having more than 4 tubes have been prohibited; it is reported that this prohibition is no longer strictly enforced, but all broadcasts seem to be in the hands of the Russians and consist of Communist and anti-American propaganda. Radio broadcasts from Japan and Nanking are reported to be jammed.
- (6) Newspapers: After the Russian occupation started all radio stations, newspapers, etc., were closed. A repatriate reports: "In March and April 1946 the entire establishment of the Dairen MICHI-MICHI, which had been closed but not confiscated or destroyed in September 1945, was taken over by the SHOKKO-SOKAI section of the KLT (Chinese Communist) Government for publication of a daily Chinese newspaper, DAIREN NIPPO. In July 1947 the publication of a Japanese bi-weekly newspaper called the Democratic Correspondence (MINSHU-TSUSHIN) was begun, using the facilities of the DAIREN NIPPO. Under the supervision of a Russian major the MINSHU TSUSHIN was published by a staff of ten Japanese civilians and two Soviet officers. Responsibility for the publication of this Russian-sponsored paper rested on the military officials. About 2,100 copies were printed each printing; 1,700 were distributed to the Japanese populace through the Labor Union; the other 400 were distributed for sale to libraries and newsstands. Subscription was 55 yuan per month. The contents consisted of Tass releases and news obtained by radio. All articles were first censored by Russian linguists." In 1947 it is also reported by a repatriate that a newspaper (NIHON SHIMBUN) published by the Russian Army was brought in from Chang-Chun but distribution was interrupted by the breakdown of the railroads. In 1947 a leaflet called LISTOVKA was published by the New Culture Association (SHIN BUNKA SHA), a Japanese Labor Union firm, but it also was discontinued. Among newspapers written in Japanese characters in 1947 there were the Dairen Daily, New Life Review and True Report but they were only for the General Laborers' Meeting and for the Chinese Communist Army Administration and contained exclusively news of Chinese Communist Activities. It is stated that there were no magazines. In July 1948 it is reported by two repatriates that the MINSHU TSUSHIN is the only Japanese language newspaper available in Dairen. "The Russians and Chinese Communists are using for Communist propaganda... the Democratic Correspondence (MINSHU TSUSHIN), a Communist-controlled newspaper which is the main outlet for Red propaganda. On occasion the Russian Army major who

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controls this paper has approached Dairen business men demanding that they place advertisements in the paper. Statements frequently read in the paper... were: The American imperialistic policy used in the occupation of Japan will soon enable Japan to attack China again; American war mongers clearly show their desire for another war by their attitude toward the Berlin Situation; Slow repatriation is the fault of the poor economic condition in Japan." One of the above-mentioned repatriates also reports that there are newspapers and magazines - not named - "carrying communistic ideologies which are given to the public at a price so low that few are unable to afford them." "The RONO TSUSHIN is the only Japanese language newspaper available in Dairen. Editorials and articles published strongly support the communistic theory and practice under the name of proletarian democracy, and offer Communism as the only answer to Japanese problems in the future. The newspaper criticizes and attacks American policy in Japan in order to create antipathy against the Occupation. All publication is supervised by the Russian intelligence." A report in 1948 states that most of the paper "covered international subjects such as the Marshall Plan, United Nations Assemblies, the East-West split in Berlin and conditions in North Korea as well as in Japan. This type of news suggests that the main purpose was propaganda. There seemed to be no direct criticism of the US Government stand on the Berlin crisis. No effort was spared to glorify Russia, her past history, great leaders and peace-loving people. It was said that the satellite states joined Russia of their own initiative for mutual economic aid and physical help in war." This repatriate states that the paper ceased to be published in June 1948 because of the lack of employees caused by the repatriation of Japanese.

- (7) Books: With the authorization of the Russian authorities a group of Japanese nationals in 1947 established a publishing house in Dairen called the SHIN BUNKA SHA or New Culture Association. The firm is said to have printed socialistic and communistic books, pamphlets, and magazines which are direct translations of Russian and Chinese text books. The repatriate quoted states that the Labor Union is known to have purchased over 2,000 books from this source. There is no information as to whether this publishing house continues to operate; presumably the same circumstances obtain as in the case of the newspapers.
- (8) Library: Many rare books from the library were confiscated and shipped to Russia.
- (9) Motion Pictures: Motion pictures are all Russian.
- (10) Shipping: Only Russian ships or ships chartered by the Russians are operating from the port. Chinese junks engage in a kind of authorized smuggling, reports the above-mentioned American repatriate. Export to Korea of such commodities as binoculars, surveying instruments and so on, is winked at, with the stipulation that only ammunition and medicine be imported in exchange. Medical supplies - sulphadiazin, penicillin, salvarsan, etc., are bought from Koreans and Chinese for Russian military script.

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- (11) Fuel: It is stated that the authorities have made no effort to deal with the fuel situation; fuel is shipped in from Karafuto and the north for factories working for the occupation. Repatriates claim that there is no fuel for private consumption.
- (12) Food: Food is reported to come from Chinese Communist-held territory in North Manchuria. It is shipped to one of the northern Korean ports by rail and thence to Dairen by ship. There is no doubt that there was an extreme shortage of food in the early days of the occupation - bran and bean cake are said to have been the main articles of diet - but at present inflation is the problem. The American informant mentioned earlier states: "There is no food shortage. Everything can be bought in the city except beer."
- (13) Clothing: There is no Government ration of clothing; there is no importation of clothing supplies. Presumably, therefore, the population is wearing the clothing that remains after looting, sale, and three years of use. The department store CHURIN has been made "closed-shop" so that Russian Army personnel and Russian civilians can purchase daily necessities at reasonable prices.
- (14) Employment: About 20,000 Japanese, it is reported, were requisitioned in the early days of the Occupation to work in plants and factories under Soviet supervision. (The ratio of Japanese to other employees - sometimes as large as 8-2000 - and the general type of work reported indicate that the Japanese were, in the main, employed as technicians and skilled workers.) In addition, 5,000 Japanese worked as brokers; 5,000 ran drinking places, restaurants or tea rooms under Chinese names; 90% of the other Japanese were unemployed. The rich lived by selling such belongings as were left to them by taxes, confiscation and looters. Young children peddled candy instead of going to school. Many Japanese joined the Chinese Communist Army, either by force majeure or lured by promises of food and protection. Some went into the black market which flourishes as a result of the fact that residents without government employment depend on private establishments for the necessities of life. (Practically all residents use the black market. An automobile repair plant operates entirely upon parts bought from the Russians who steal them from cars and sell them to the plant at black market.) At the present time reports seem to indicate that all Japanese remaining in Dairen are employed professionally or as technicians.
- (15) Taxes: Taxes are reported to be confiscatory.
- (16) It is stated that the Soviet authorities made a thorough investigation as to whether the Central Science Institute of Dairen had been engaged in atomic research; their conclusions were in the negative. Repatriates also report that the Institute was not engaged in atomic research. The Soviet authorities enquired in addition as to uranium deposits in Manchuria through the Geographic Section of the Central Science Institute. An American informant repatriated to Japan in 1948 reports that he heard that in the winter of 1946

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a Japanese technician who had been sent to KLT to investigate uranium ore from mines near Fushun and Anshan had data pertaining to these mines, and samples of ore. Through a friend repatriated on the same ship this American claims he obtained the plans, maps and samples and turned them over to the American consul. A Japanese repatriated in 1948 reports that he likewise entrusted to the American consul samples of ore (thought to be fissionable material) and maps of the area from which the ore came.

- (17) The consensus of opinion among repatriated observers seems to be that the economic recovery of Dairen is problematic; it is frequently stated that no effort whatever has been made by the Russians to build up or repair; plants, factories, docks and so on are simply being operated with the idea of abandoning them or turning them over to the Chinese when they become beyond use. The Harbor, formerly dredged annually, has not been dredged since the termination of hostilities. Without Japanese technicians and capital, early revival is thought to be impossible; and most of the Japanese are believed now to have been repatriated, and capitalists, as they cannot agree with the Chinese Communist Administration, are reported as early as 1947 to have been leaving the country.

b. Relations of the Japanese with the Russians

- (1) According to Interrogation Reports, the Japanese through association with White Russian Czarist exiles in Dairen were favorably disposed in 1945 toward the Russian Occupation force. They felt that they understood the easy-going slavish temperament. However, the days of looting and destruction disillusioned them. They came to hate and fear the invaders. These emotions did not abate as the Russians ostensibly handed the city over to the Chinese Communist Army. A repatriate interrogated at Sasebo contributes: "Because the war ended after only a week or more we had relatively little enmity toward the Soviet Union... We thought in the same way that the Soviet Union did not have enmity toward us. However, the Soviet Army which occupied the Port Arthur-Dairen area were definitely not the easy-going Russians that we had imagined. They were a great force worse than a band of robbers and bandits; and like wild beasts released from their cages raged about... Perhaps because of the extreme exhaustion of manpower resulting from the German-Soviet war, more than half the Soviet soldiers were boys 16 and 17 years old, smeared with grime, dust and sweat, looking like beggars clad in rags, with no reasoning at all, uneducated, bewildered, and altogether like barbarians. They picked fruit grown by the sweat of Japanese farmers, and drove heavy guns, tanks and trucks over planted fields, ruining the crops even for feed. They seized cows and sheep which were grazing in the mountains. Evacuation of homes was ordered to be completed within thirty minutes or an hour; if all household goods could not be removed in this time the remainder was confiscated. As for the contract to purchase commodities from the Japanese... although the Soviet Army had printed contract papers based on standard prices set during the Japanese administration, when it came to

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payment only a small 'consolation money' was paid... The transfer of the residences of the Japanese from Port Arthur, ...from the new city to the old, and from the old city to a certain district was carried out sporadically by daily orders. Twenty thousand-odd Japanese were ordered forcibly to vacate their homes within two or three days. ...By the above evacuation the Japanese in the general vicinity of Kwantung Province were concentrated in Dairen... The continued pressure from the Chinese - theft, burglary, murder and so forth - made it impossible to sleep in peace... The Soviet authorities did nothing about these conditions; the NKVD (MVD) headquarters was nothing but a name. Many Japanese were clubbed to death by drunken Soviet officers and (enlisted) men without reason, but nothing could be done... The level of culture among the Russians is very low... The Stalin grant given to the Japanese repatriates by the Soviet was nothing but presentation of the loot of the Kwantung Army. Not a particle of kindness was shown to the Japanese who were sadly repatriating to our homeland; to the very end they treated us like cats and dogs and behind the false mask of the Chinese Communist Army Administration, the Japanese Labor Union, etc., they drained us of our individual possessions to the extreme limit."

- (2) As it is known that the Russian Army is the controlling force in Dairen, the Japanese blame their present conditions upon the Russians. There is no police protection; it is reported that the Russians in October 1945 ordered mobilization of all police precincts and sent the police to Kaijo, Manchuria, and later to Siberia; a Chinese-staffed organization replaced the former police force. While the Russians did nothing to protect or aid the Japanese, they drafted them for the army and for employment in confiscated plants and used them as informers. Japanese POWs were used on public works and taken to Siberia; and repatriation was delayed or refused at the will of the Russians. The MVD (former NKVD) was active enough when it came to investigating and arresting Japanese; a repatriate claims, "If anyone utters a word concerning the Soviet or the Eighth Route Army he would be arrested or kidnapped immediately and be sentenced to a heavy penalty." All Japanese with Police Department, KEMPEI TAI, TOKUMU KIKAN and Military Intelligence connections were arrested and taken to Siberia. A repatriate reports being called in several times by the MVD as a suspected spy. He claims "the shakedown was simple although at times rough."
- (3) One of the results of the Russian occupation is the prevalence of venereal disease among young Japanese women repatriates. "The most regrettable thing to me", reports a repatriated doctor, "was the discovery that the majority of young women, both married and single, were suffering from venereal disease. They were either outraged or forced to become concubines of the Russians...in Dairen."
- (4) In general, the inhabitants of Dairen despised and feared the Russian soldier. A repatriate at Sasebo reports: "About 80% of the Soviet troops in Dairen are considered illiterate. In spite of off-limits orders for warehouses, factories and houses stored with

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material taken over by the Soviet Army, the troops still plunder these buildings. Troops assault women on the street. Accompanied by local Manchurian troops, they loot Japanese homes. They do not seem to understand (the value of) paper money and return it. Troops remove equipment from warehouses in their charge and sell it for entertainment money." Another repatriate says: "The people look down on the Russian troops for their ignorance and their poor standard of discipline;" yet another states: "The Russian Army is disliked by the populace." There are many reports which state that the Japanese in Dairen went in fear of Russian violence night and day. Russian troops are still reported to be in the Dairen area, although it is said to be difficult to estimate their number as they are constantly being transferred between Dairen and Vladivostok, and many in Dairen wear civilian clothes and appear to have no connection with the Russian Army.

- (5) Individually the prevalent feeling of the Japanese for the Russians seems to be a natural result of the treatment they have received. A repatriate reports: "There are many Japanese who are very fond of the Russians as individuals, but they have no confidence in Russian administration or economy. Moreover, they view Communism with utter contempt, and are hoping for an early release from Russian controlled areas." A recent repatriate reports that the Japanese working in a certain laboratory did not get along with the Russians because the Russians did not keep their promises and made no attempt to understand the feelings of the Japanese.
- (6) As to the feelings of the Russians for the Japanese, a repatriate states: "The Russians were discouraged from association with any foreigners; it is assumed the Soviet does not trust their own people, politically." Russians are said to be anything but communistically inclined; personally, they practice capitalism (by force) as much as possible in Dairen. Several doctors report treating Russian soldiers for venereal disease, and imply that the soldiers trust Japanese doctors but do not have confidence in their own. One report says that the Russians troops are extraordinarily kind to the Japanese, but adds that it is probably because the Japanese are skilled in their trades and are considered critical personnel; another repatriate remarks: "The troops are reported to treat the Japanese kindly but with reserve." Still another states that in 1947 the Russians gradually began to trust the Japanese and feel sympathy for them. The latter report goes on: "After more than a year and a half of contact, there are some cases where Russians understood the Japanese and recognized their superior points when they became more intimate, and gave them their protection from outside pressure. There were indications that a part of them (the Russians) showed considerable deference toward the Japanese in the intellectual field. Further, recognizing the wholehearted manner in which the Japanese worked in the companies and factories controlled by the Soviet Army,

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the Chinese employees were discharged and Japanese almost entirely employed." The fact that Japanese technicians and professional men were forced, bribed, and threatened into remaining in some numbers in Manchuria testifies to at least one value placed upon the Japanese by the Russians. Whatever the individual Russian feels for the individual Japanese, the present general impression gleaned from interrogations of repatriates is that the Russians as conquerors are exploiting the Japanese, and love them, if at all, for their present value as technicians in arts at which the Russians themselves are not very apt; and for their future desirability as members of the Communist party.

c. Problems of the Remaining Japanese

- (1) At present the total population of Dairen is said by the aforementioned 1948 American repatriate to be down from 800,000 pre-war to about 150,000 total. Most of the Chinese who formed the bulk of the population have left except for the very poor "who have not enough to bribe the Russians for their way out." As for the Japanese, Status of Repatriation reports by General Headquarters Far East Command (G-3) give the original approximate strength of Japanese nationals in Dairen as 221,179 and state that as of 30 July 1948 all of these nationals had been repatriated. Many repatriates interrogated in 1948, however, report that there are still Japanese remaining in Dairen - technicians and professional men for the most part. The discrepancy may be explained by the fact that Status Reports are based upon requests for repatriation presented through the Russians. Numbers of Japanese who have not requested repatriation - who remain either willingly (the Dairen Labor newspaper is said to have promised that the Russians would make a 500% increase in the pay of any Japanese who would remain in Dairen, and there have been reports that Russian citizenship is being offered to Japanese technicians agreeing to stay in Manchuria; one repatriate states that it is said that 4000 Japanese have been naturalized in USSR) or against their will ("Foreigners in labor groups are not presently allowed to leave Dairen for repatriation") are estimated by repatriates at between 2000 and 3,500. The Japanese professors mentioned above question, in regard to a former Lieutenant Colonel in the Japanese Army now employed in Dairen, "Whether he is working in this plant voluntarily or is enslaved there."
- (2) It is reasonable to suppose that the main problem of the Japanese remaining in Dairen is to stay alive until they can be repatriated. There is no evidence that the raises in pay held out as inducements to linger, materialize, or that, if they do, they are adequate to insure a comfortable living. To increase their incomes, Japanese were not permitted, it is stated, to "sell, purchase or transport Japanese property"; the prohibition has never been reported to be removed. A repatriate reports that he was arrested for selling a restaurant "which was his responsibility, when selling was necessitated by the fact that he had no protection from thieves who entered nightly and stole goods and

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furnishings." With the exodus of Chinese and repatriates the housing situation, in the absence of contradictory information, may be supposed to be ameliorated; but the position of a Japanese resident of Dairen in other respects continues precarious: from a thriving metropolis the city has degenerated to a despoiled town occupied by a victorious Army and administered by an ancient foe. The two Japanese professors repatriated early this year report: "Of the 200,000 population, 100,000 have become professional beggars, petty thieves and racketeers; 50,000 have no means whatever."

- (3) Quite aside from the physical aspects of life in an occupied town, cut off from progress and apparently dedicated to destruction, less material considerations are no less pressing. All means of communication are controlled by the Communist Administration; no contact with Japan is possible. The Japanese Labor Union is still reported in 1948 to be all-powerful and is generally considered to be an entirely Communistic organization: "not an organ for the welfare of the resident Japanese in general, but for the Soviet Union, aiming at making class strife and propagating ideas and doctrines." Food and repatriation must be arranged through its unsympathetic offices. There is no freedom. An American nun reports Japanese to have been questioned to the point of persecution by the MVD for trying to see the American consul, or for being seen in conversation with an American; another repatriate states that "those who were educated in America or have worked in America are kept under constant surveillance." "Foreigners go in constant fear of the NKVD (MVD); there have been cases of arrest without the slightest provocation and without benefit of lawyers or interpreters." The American repatriate mentioned earlier reports that Japanese friends of his claimed they were spied on because of their association with him. Recent Japanese repatriates report that they were in continual fear of the Russians; that they only left home to get their rations or to work and always stayed indoors at night; they were afraid to make or talk to friends. Reports are prevalent that Japanese who had been drafted to work on secret Russian projects were poisoned or shot on completion of the work. One repatriate asserts that several Japanese technicians and clerks were sent to Harbin as a committee to inspect conditions; they were separated from their families and forced to go, and told that they might return in two months. That was in May 1947; up to July 1948 only the clerks had returned. Life in such an atmosphere of danger, fear and suspicion, with no representing or supporting agency in respect to the Administration, with no recourse for help even to the Army occupying the Homeland, presents the Japanese in Dairen with problems which aggregate an almost insoluble dilemma.
- (4) To make the situation more difficult, Japanese who have for any reason associated with the Occupation find themselves in an anomalous position. According to a repatriate: "During the period in which Japanese nationals were awaiting repatriation many of

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them found it expedient and even at times necessary to work for the Soviet Army in the capacity of informers or spies. Rewards of money, privileges and rations proved too great a temptation. Sometimes direct requests by Russians backed up by threats of injury to himself or his family prevailed upon a Japanese to join the net of petty informers established by the Chinese Municipal Government and the Soviet Army. These informers, called "MITTEI" and "INU", reported Japanese POWs in hiding, pro-Americans and pro-Fascists... Very few can be classed as Soviet agents.. (but) repatriates naturally hated them and tended to over-estimate their importance and contribution." Accounts of the treatment meted out to Japanese suspected of being agents or collaborators on boats and in camps tend to explain a hesitation on the part of anyone who has reason to think he might rightly or wrongly have given cause for suspicion to put himself in the way of his suspects; to such the problem of remaining in Dairen is only exceeded by the problem of repatriating.

d. Difficulties of the Soviets re the Chinese

- (1) With the Russian Army behind and above the Chinese Communist Administration in Dairen and in control of the Eighth Route Army to the extent that orders for induction of Chinese against their wills into the Communist Army are said by a repatriate to be known to be "sent down by the Communist Headquarters in Dairen", that Russians have been seen to be training the Chinese in Dairen into professional soldiers, and that Chinese graduates of a naval school (SHIHTAO) are being sent to the Soviet Naval base in Vladivostok for submarine training, it is perhaps understandable that there are few reports of observed difficulties between the Russians and the Chinese. However, repatriates claim that "relations between the Soviet Army and the Chinese in Dairen are by no means close"; and that "combined meetings of the Chinese Communist officials and Russians usually ended without settlement if without blows." Recognition of this situation is witnessed by the fact that an organization was founded as early as 1946 "for the betterment of relations between China and Soviet Russia." There is no report upon the effectiveness of its operation. It is also stated that before the majority of Russian troops were sent to Port Arthur in 1947 great brawls occurred regularly every Sunday when the Chinese and Russian soldiers met in town. The American repatriate to Japan who was mentioned earlier claims that the Chinese did not voluntarily embrace Communism. "Communism was forced on the Chinese."
- (2) An articulate and analytically inclined recent refugee contends that the general situation which has resulted in the alienation of so many of the Dairen Japanese is directly due to the distortion of the original policy of the Communist Party on account of the Chinese Communists. He says: "I think this is not the original intention of the Communist Party. I believe that they are compelled to take such measures because of the present demand for munitions necessitated by the

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(Chinese) war. In other words, the policy mapped out by the leaders of the Chinese Communist Party is not consistent; moreover, it is presumed that their policy is distorted by their numerous sympathizers and subordinates in the lowest stratum. At any rate, the debouchment and expansion of the Chinese Communist Party's sphere of influence was too heavy a burden for them. Their lack of managerial ability is amply substantiated by the existing situation.."

e. Progress of Communist Influence.

- (1) According to reports based on the information of repatriates from Dairen, from the point of view of intent the Dairen area is completely communized. One writer of an intercepted letter says he "regards Dairen as the stronghold of Communism in the Orient." The city has been since August 1945 entirely under the domination of the Russian Army. The municipal administration is now in the hands of Chinese Communist Army, but it is claimed that the Russians still exercise full basic control which they extend over the Japanese through the fully Communistic Japanese People's Labor Union and its affiliates.
- (2) Founded in 1946, as has been stated, ostensibly to take care of the Japanese resident in Dairen when the Chinese were put in nominal control of the city, the Japanese Labor Union in the opinion of repatriates has never been anything but a tool of the Russian Communists. A repatriate reports: "In January 1946 the Soviet Police Commissioner announced the establishment of the Japanese Labor Union. He declared he would prohibit all meetings of Japanese residents and that all affairs relative to Japanese needs would be regulated through the Trade Union." According to accounts by repatriates, the Japanese Labor Union has been the only Japanese organization recognized by the Russian Army Headquarters, and all Japanese negotiations are made with the Union. The Union reportedly controls food rationing, employment, housing and education (through the education of teachers); it publishes the only Dairen Japanese language newspaper, books and magazines*, the Memorial Theater has been directly managed by the Union, and the Culture Committee, composed of Literary, Drama, Music, Dance and Art Sections, is under the supervision of the Propaganda Section of the Labor Union. Through the Dairen Group Conference on Repatriation Policy, established by the Japanese Labor Union when the Dairen Japanese first learned that they were to be repatriated, the Labor Union determines what Japanese shall be repatriated and what Japanese shall remain in Dairen. In the early days the Japanese Labor Union and the Democratic League are said to have held joint "democratic trials" to try the Japanese accused of theft, undemocratic utterances, and hoarding money

* Repatriates report in November 1948 that there are no newspapers, books or magazines being published in Dairen.

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instead of contributing to the Japanese Relief Fund. "The Union extorted large sums from former influential Japanese in Dairen under the pretext that such funds would be used to assist the needy. Those who did not respond to the call were branded as 'non-cooperative'; their names were posted and many were tried in popular courts or on the open streets. The Union never rendered any account of the money." Another repatriate reports: "The so-called 'People's Trials', peculiar to the Soviet Union, have been held from time to time at a Plaza in the presence of large numbers of people. These were held by the Labor Union's top-ranking officers, who would read out the records of offenses of such Japanese as had once had connection with the Zaibatsu or the Military Clique or who were regarded as reactionary elements. These Union officers would pass judgment on such people upon the consent of the people assembled, leaving the penalty to the discretion of either the Soviet Army or the Chinese Communist Army; penalties such as life imprisonment and confiscation of property were imposed." With food, lodging, employment, education, culture, recreation, repatriation and justice in its hands, all evidence from repatriates points to the Japanese Labor Union as all-powerful within its sphere in Dairen.

- (3) That the Japanese Labor Union is a fully Communistic organization is as well authenticated. The Union is said to have been set up by the Russians and reports to the Russians. The important men in the organization are Communists. "The nucleus of the Union", reports a repatriate, "is formed by men once connected with the Investigation Department of the South Manchurian Railway Company and men who came down there from Yenan. It is reported that they have already converted ten thousand men to Bolshevism." Another repatriate states that the majority of the officers are pro-Russian and Communist; he says that the members are not necessarily Communist but cooperate to avoid being purged. To aid in conversion, in the early days members of the Union were given daily classes in Communism and affiliated topics, according to repatriates' reports; youths who belonged to the Union were indoctrinated for two hours every day. "I believe the Union to be a Communist organization," says one repatriate. "The Japanese Labor Union is a Communist organization with its own courts which rules the Japanese population; those who do not join the Communist Party or some affiliated organization are fined, or sent to internment camp at REIZENKU," asserts another. It is claimed that "the Dairen Labor Association which is in charge of all repatriation from Dairen has put in practice a system of dividing the repatriates into groups of communists and anti-Communists, giving the priority for repatriation to the Communists." A repatriate charges that some repatriated members of the Japanese Labor Union brought with them to Japan millions of yen confiscated or extorted from the rich for the relief of the destitute, and destined to be devoted to the interests of Communism in Japan. An Intelligence report summarizes as follows: "During the first three months

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that repatriation was carried on, the Dairen Group Conference (which was established by the Japanese Labor Union and largely staffed by members of the Japanese Labor Union and the Democratic League and contains many known Communists) was permitted to handle the feeding and general management of repatriates, including the selection of those who would return to Japan. (There has been a great deal of bribery of officials in connection with the selection of repatriates.) The Russian Occupation Force merely established the broad policies; the Conference handled all details. Since January 1947, however, the Russians have taken a more active part. 1) The USSR Civil Affairs Section has been dissatisfied with the general operational procedure; 2) The Russians wished to have more voice in choosing repatriates. Many of the workers in Russian-controlled factories are now returning with priority over Labor Union members and Conference selectees... All repatriates including women and children are required to sign a repatriate's admission form before they leave Dairen... As far as can be determined at present at this Headquarters the signing of these forms would indicate that the repatriate pledges himself to support a 'Repatriation Organization' in Japan which may be affiliated with the Communist Party." The Japanese Labor Union it seems, in the opinion of the Japanese repatriated from Dairen, controls the Japanese, and the Russians control the Japanese Labor Union.

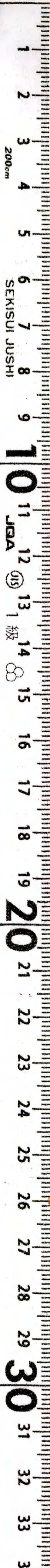
- (4) The Russians, as has been seen, also control all industry, business and agriculture. Army drill and Communist classes are held in plants and factories, according to repatriates' reports; and, "the Chinese in the Eighth Route Army in cooperation with the Russians ran a school for the purpose of converting Japanese prisoners of war. Many graduates are in responsible positions as Government and municipal workers... some have been sent to Japan as agents. Japanese officers have been sent to schools in Russia." It is recently reported from Nanking that the Soviets have established five training schools for Chinese Communists in Dairen and vicinity. These are the Navigation School, with two branches, including a Fisheries Training School and a Merchant Marine School; a Railroad School, divided into a Railroad Police Training School, a Railroad Engineers' Training School and a Railroad School; an Industrial School, which includes a Railroad Industry School, which controls the Dairen Iron Foundry, and the Steamship Industry School, which controls the Dairen Dockyard; a Public Utilities School, composed of an Electricians' Training School, Gas Workers' School, and Gas Workers' Training School and a Medical School. Informants from Shanghai report that the Chinese Communists have established the Kwantung National Reconstruction School and the Kwantung Cultural School in Dairen, and that in June 1948 two hundred graduates of the former school were sent to Manchuria to join the Nationalist Army to carry on propoganda work. It is obvious that these installations represent a great opportunity for training in and dissemination of Communism.

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- (5) Newspapers, radio, motion pictures and drama are all administered by the authorities with the idea of propagating Communism. Half of the schools in Dairen are closed and their buildings put to Occupation use; the other half have been taken over by the Chinese Communist Civil Government and administered through the Japanese Labor Union. "All former principals of the middle schools were replaced by a committee of five young teachers who had been indoctrinated with Russian ideals and teaching methods by courses given them by the Russians", a repatriate reports. "All teachers who wished to continue in their work were required to attend the courses and any teacher opposing the measure was released from his duty." Another repatriate states: "The curricula in all schools were changed to include only those subjects approved by the Communist Government. A new subject known as 'Political Affairs' was initiated. All school teachers were required to attend lectures given by the Communist-controlled Government and usually conducted by leading Communists in the Dairen area." Other reports on progress of Communism in the schools are: "The RODO TSUSHIN, a newspaper published by the Japanese Labor Union which contains a large amount of Red propaganda is also being read to students in the schools in Dairen"; "In all the schools, even the primary schools, there is a course called 'Sociology Class' in which Communism is taught three or four times a week. The lecturers on Sociology are people from the Laborers' Union or other pro-Communists"; "Besides Communism in general, the children between the ages of ten and sixteen are taught the necessity of giving support to the Communist Party and the coming struggle for a new government in Japan." One repatriate states that schools in Dairen now exist entirely for the faculty; nothing but Communism is taught in them. In January 1947 a repatriate states: "At present, Dairen schools are closed but they will reopen in February with an entirely new set of teachers selected by the Education Section of the Labor Union. Emphasis will be placed on Communistic and Socialistic thought with special attention given to the indoctrination of the elementary school children."
- (6) There is no activity in Dairen, political, industrial, cultural, educational or of entertainment value which is not in the hands of the Communists and being used for purposes of Communist indoctrination.
- (7) It is said that on account of the energy of the Communist police there is no underground organization aimed against Communism in Dairen.
- (8) Non-Communists are reported to have been persecuted in various ways; they were spied upon and denounced; they were tried, imprisoned, fined; their possessions were confiscated; rations were refused to them; their repatriation was held up and they were charged extortionate prices for the privilege of being repatriated. They were kidnapped, forced into the Army, murdered. An Interrogation Report contributes: "Intelligence Unit KLT was believed to be rounding up all the people who had anti-Soviet ways of thinking... It was observed that those taken for investigation by this Unit hardly ever returned."

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- (9) On the other hand, many were the rewards for those who accepted or seemed to accept Communism. Better food, better pay, absence of persecution in its many forms, and preferential treatment, especially in regard to repatriation, persuaded many Japanese to conform. One repatriate writes in December 1948: "Since the advance of the Chinese Communist Army the city of Dairen has become much communized and...an easy place for us proletarians to live."
- (10) Above and beyond all material blessings resulting from conversion to Communism was the gift of power bestowed upon Japanese neophytes. A report on the Yen-an Communists states: "By the fall of 1946, the Communist League (a Communist organization composed of Japanese in China) was the power behind the scenes of all the major Japanese organizations in Dairen: the Dairen Labor Union, the Democratic League and the Group Conference on Repatriation Policy. Through these organizations the League actually controlled the Japanese population of Dairen... This committee directed the surveillance and investigation not only of all prospective League members but of all Japanese residents, particularly the well-to-do and those who were classed as 'reactionary' and 'uncooperative'. With police protection, it confiscated hidden assets and directed the redistribution of wealth and property of former Government officials, Army officers and businessmen of Dairen." It is noteworthy in this connection that only three repatriates of the hundreds considered in this material reported cognizance of the power of Communist-converted Japanese in Dairen. Japanese Communists who made good overseas were translated to a higher sphere by being sent as agents to the Japanese Communist Party in Japan, where, in the presence of a vital need for trained leadership, there is no necessity to limit the ambition of Japanese trained in Communism by the Russians.
- (11) In spite of rewards and punishment, the general impression gained from study of Interrogation material is that the repatriates from Dairen are filled with resentment, hatred and desire for vengeance. Repatriate statements are as follows: "The general feelings of the Chinese and Japanese in the Dairen area toward Communism are of intense hatred due to the oppression of the Russians and the Chinese Communist Army; the farmers in particular have a bitter feeling toward the communistic form of government, inasmuch as they are compelled to turn over all crops to the government. The majority however, put up a false front as neutrals or pro-Communists to prevent confiscation of their land and personal belongings". "A certain person who recently accomplished an adventurous escape from the Chinese Communist territory told me about the conditions in China as follows: '...At first the farmers heartily welcomed the Communists' administration because the communists expelled non-laboring and big landowners and gave the small tenant farmers farmland by enforcing farmland reform. However, they have lost their interest in working since the communists took compulsory measures to make farmers deliver almost all of their products. In the urban

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communist territory, the proprietors and traders suffer from heavy taxes. Moreover, business is far from profitable due to the incessant civil war and shortage of goods. Since the industries are almost paralyzed, the working men are exploited and badly paid. Such being the situation, the city people are all dissatisfied." One thoughtful commentator makes the observation that it is difficult to estimate the progress of communism as many appear to favor "democracy" for reasons of policy and fear. Several repatriates who spoke rather more warmly than others against Communism or more frankly of the situation in Dairen asked that the fact that they spoke at all be kept a secret.

- (12) In spite of these reports and the evidence of the hatred and desire for revenge presented by the violence so often reported on ship board and camps against Communist Japanese, an opinion that repatriates from Dairen are inclined against Communism must be adopted with caution. While there is no doubt that the majority of these repatriates feel bitterly toward the Administration for the loss of their livelihood and savings and for the conditions in Dairen and the misery of their repatriation, it is entirely possible that the hatred, bitterness and desire for vengeance is for the Communists who have caused this wretchedness; not necessarily for Communism. There are reports of repatriates who admit an interest in Communism and a desire to join the Communist Party in Japan; and one non-communist repatriate remarks that the state of affairs in Japan will go far toward persuading others that their indoctrination may not have been entirely false. It is difficult to believe that there will be no positive results from a campaign which has wiped out every source of thought other than communistic in an entire city, whether the resulting attitude is sincere and deep-seated or inspired by fear and meaner emotions. Students may resent the fact, as they are said to do, that "today the student body exists merely to justify the maintenance of the faculty; no effort is made to teach or be taught"; but in the absence of other teachings those of Communism will have an opportunity to flourish. Those in search of entertainment may prefer a Japanese classical play, but in its place will listen to a drama of old Russia, or watch a motion picture showing the feats of valor performed by the Red Army in the war with Germany, or attend, no matter how unsympathetically or carelessly at first, to the "thoughts and ideas of the corps-sponsored programs" presented by one of the Mobile Entertainment Groups. Nature is said to abhor a vacuum. The study of Interrogation Reports indicates that in Dairen the Russians have been particularly successful in their program of creating their own vacuum and providing their own socially acceptable material to rush in to fill it.

3. Evaluation: Evaluation of this Summary of Information is F-6, on account of the fact that the material exploited consists almost entirely of the reports of interrogations of repatriates, from 1946 up to and including November 1948.

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communist territory, the proprietors and traders suffer from heavy taxes. Moreover, business is far from profitable due to the incessant civil war and shortage of goods. Since the industries are almost paralyzed, the working men are exploited and badly paid. Such being the situation, the city people are all dissatisfied. One thoughtful commentator makes the observation that it is difficult to estimate the progress of communism as many appear to favor "democracy" for reasons of policy and fear. Several reparations who spoke rather more warmly than others against Communism or more frankly of the situation in Britain asked that the fact that they spoke at all be kept a secret.

(12) In spite of these reports and the evidence of the hatred and desire for revenge presented by the violence so often reported on ship board and camps against Communist Japanese, an opinion that reparations from Britain are justified against Communist must be adopted with caution. While there is no doubt that the majority of these reparations feel bitterly toward the Administration for the loss of their livelihood and savings and for the conditions in Britain and the misery of their reparations, it is entirely possible that the hatred, bitterness and desire for vengeance is for the Communists who have caused this wretchedness; not necessarily for Communism. There are reports of reparations who admit an interest in Communism and a desire to join the Communist Party in Japan; and one non-Communist reparations remarks that the state of affairs in Japan will go far toward persuading others that their indoctrination may not have been entirely false. It is difficult to believe that there will be no positive results from a campaign which has wiped out every source of thought other than Communist in an entire city, whether the resulting attitude is sincere and deep-seated or inspired by fear and lesser emotions. It is denied that the student body exists merely to justify the maintenance of the faculty; no effort is made to teach or be taught; but in the absence of other teachers those of Communism will have an opportunity to flourish. Those in search of entertainment may prefer a Japanese classical play, but in its place will listen to a drama of old Russia, or watch a motion picture showing the feats of valor performed by the Red Army in the war with Germany, or attend, no matter how unappreciatively or carelessly at first, to the "concerts and shows of the corps-sponsored programs" presented one of the Mobile Entertainment Groups. The study of history is said to show a vacuum. The study of reparations have been particularly successful in their program of creating their own vacuum and providing their own highly acceptable material to rush in to fill it.

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Authority **NND 795020**

By **CEG** NARA Date **12/6/11**

