

amendment that has been suggested, but if I understand the description of the situation which was given by Dr. Blakeslee, it would seem to me to be somewhat doubtful as to whether the present wording of the sentence actually describes the existing situation. In FEC-017/17 the sentence reads that such demobilization agency as is retained for the purpose of demobilizing returning Japanese armed forces, et cetera. I gather that actually no demobilization agency is being retained and that the functions of demobilization are being and have been transferred to a regular organ of the Japanese Government. Consequently, I would just query whether the present version of the relevant sentence is not already out of date and whether some revision isn't required? As I say, this is without reference to any specific proposal that has been made to date.

GEN. MCCOY: Is there anything further on the substitute amendment for paragraph 10?

MR. PANYUSHKIN: Mr. Chairman, I would say a word or two. As is evident from the document FEC-017/15, which is a directive of the Supreme Commander on the questions of demobilization agencies, the Supreme Commander, General MacArthur, has ordered the Japanese Government to transfer to the Ministry of Welfare the First Demobilization Bureau intact, complete, that is, together with all generals and their army officers that had worked in it. That is, in fact, the military personnel has actually changed its name only—its signboard, so to say—while the substance of that personnel has not changed at all, since all the military officers that have been working in the demobilization agency were transferred intact to the Welfare Ministry. Since the demobilization, as was stated by you, Mr. Chairman, has been in general, as a whole, completed, and since the demobilization agency still remains under a civilian name, it would seem that on the one hand it would be undesirable to retain any demobilization agency in a civilian form or under a civilian name or to retain their military personnel in an agency carrying a civilian name. This would contradict our policy. Therefore, Mr.

Chairman, I feel very strongly about our amendment as the one which in effect corresponds correctly to the existing situation and is in accordance with our policy of the Far Eastern Commission. In view of this, Mr. Chairman, I would ask you to put our amendment to a vote at the Commission.

GEN. MCCOY: Dr. Blakeslee will further explain the plan of transfer, which is temporary and has a bearing on the statement and is explanatory, in reply to the Ambassador's statement.

DR. BLAKESLEE: Mr. Chairman, quoting again from this document which is being used, FEC-017/15, it is true that the First Demobilization Agency was transferred to the Welfare Ministry, but, as I mentioned earlier, a plan is being prepared which should have been presented by January 1st, and this document, the directive of the Supreme Commander, states: "Such plan will provide for the control of the policies of agencies thereafter engaged in demilitarization and demobilization by persons not subject to the provisions of SCAPIN 550 (that is a screening directive) and will ensure the speedy elimination of remaining ex-military officers subject to SCAPIN 550, approval for whose retention has not been specifically granted in each individual case by the Supreme Commander for the Allied Powers." That is, there is in process now a plan in accordance with which the former Japanese military officers will not be permitted to participate in the demobilization work except in the few cases where individually they are requested and approved by the Supreme Commander.

GEN. MCCOY: For explicit purposes which would make the plan efficient, necessarily to transfer just out of the blue from one agency to another that is not familiar with the records or the work of demobilization would manifestly be very inefficient way of completing the demobilization and repatriation, and the points brought up by the Ambassador are well covered by General MacArthur's plan for gradually turning over completely to civilians as it is proper and practicable to do. And to safeguard that he demands specifically that those that

are retained for this temporary purpose shall be individually approved by him as Supreme Commander. In other words, it's not a break from a defunct organization. It in a way might be called a practical way of turning first over to a civilian agency and then screening out the military men mentioned by the Ambassador, and it seems to me at a glance that it is the only practical way to do.

Now, I think that you wished a formal vote on this amendment, did you, Mr. Ambassador?

MR. PANYUSHKIN: Mr. Chairman, before passing to the stage of voting, I would like to make a statement. In General MacArthur's directive, in the first place, the last sentence reads: "Transfer of personnel will not be construed as requiring any additional screening or further application of SCAPIN 550 beyond the requirements already imposed by existing directives and instructions of the Supreme Commander for the Allied Powers." Therefore, the explanation given by Dr. Blakeslee here in regard to the plan is not, I am afraid, convincing. I would like also to state, Mr. Chairman, that in the addition we have proposed for paragraph 10 no time limits are specified. My colleagues around this table observed that any mention of time limits in any policy paper would be an infringement on the prerogatives of the Supreme Commander. I do not share, Mr. Chairman, such view that the specifying of time limits would constitute an infringement on the prerogatives of the Supreme Commander because the policy which the Far Eastern Commission has been called upon to formulate could not be fulfilled or implemented outside time or space. Trying to meet the wishes of our colleagues, we have waived the requirement with regard to the time limit in paragraph 10. As you will notice, in our wording in FEC-017/19 no time limit has been suggested. However, the principle in that wording is quite clearly indicated to the effect that the demobilization agency should terminate its activities and that its functions of demobilization should not be transferred to any other agency, except the functions of repatriation of Japanese prisoners of war, which functions should be assigned to some

civilian agency. What we mean by some civilian agency is not an agency bearing a civilian name and which would have in its offices at work some Japanese high military officers and generals, and we desire that the functions of repatriation of Japanese prisoners of war be carried out by some civilian persons. Therefore, Mr. Chairman, I should point out that our wording suggested here is not in any way in contradiction to the general policy of the Allies in regard to Japan. Mr. Chairman, since our wording doesn't contain even any implicit infringement on the prerogatives of the Supreme Commander, and since our wording speaks of principle policy of the Commission, I would ask you to put this motion of ours to a vote.

GEN. MCCOY: The motion has been made formally for a vote on the amendment to paragraph 10, which is before you, and under our voting procedure this motion will be put to you to see if there is a second to the motion.

MR. PANYUSHKIN: Mr. Chairman, I apologize that I am speaking quite often at this meeting--to attract attention more than other colleagues, but I hope they'll forgive me since I am going to speak on the substance of the matter.

As I understood from the explanation of the Chairman and also Mr. Stratton given at the last meeting, there have been no precedents to require a second before a motion is put to a vote. Therefore, I consider that there is no necessity of a seconder to put the motion to a vote.

GEN. MCCOY: Well, prior to my ruling on the point of order, I would thank the Ambassador for the way in which he has presented his amendments and the clear explanations he has given and the implications involved. I think that in this present amendment it's perfectly clear that, although there is no date given, and his explanation is very clear in presenting the amendment in his effort to meet the wishes of the Commission, and in my case drawing the line between policy and implementation, but it is perfectly evident in his clarifying statement that

this amendment would go into effect at once in the midst of the plan that the Supreme Commander is now putting into effect to carry out the very policy that has been presented--only in a different way--and I think that, in view of the reports of the Supreme Commander of October and--what is the last one--in December--as to the next--

DR. BLAKESLEE: October 31st.

GEN. MCCOY: The paper that has been circulated of October 31, he's in the midst of doing the very thing that the Ambassador wants--only he is doing it in a different way--and I think that with the past in retrospect and the success of the demobilization up to date it would be very improper to pass this particular amendment and direct a change in his whole plan which is now in process.

Now, as to the point of order: That has been, I understand, the position of the Ambassador because he has only recently been a member of the Commission, but for two years we have had the precedent of informal discussion on the part of any of the members who wished at their own request to put anything on the agenda as a subject for consultation and consideration by the Commission. But we have made it a rule, which had worked very successfully and I think it's very important to preserve an informal way of approaching a formal vote, but the question of order in that sense was laid down and has been consistently followed for two years--that when a motion is formally made it must be seconded before it's put to a vote, and that ruling under the circumstances I shall have to stand on, although I would like to comply very much with any wish of the Ambassador or any other member who would question it.

MR. POWLES: Mr. Chairman, in view of the fact that the United Kingdom delegation have lodged a proposal relating to this particular point and that that proposal is under discussion in the Steering Committee, it would seem unfortunate if we at this stage were to have a discussion on the particular question as to whether or not a resolution needs a seconder, while we are in the middle of discussing these other very important matters, and in order to avoid the necessity of such a

discussion I would therefore propose to second the Soviet amendment per forma.

GEN. MCCOY: The second is accepted. Is there any other delegate who wishes to take the word at this time before we put it to vote?

DR. KOO: I don't know, Mr. Chairman, whether it would be in order for me to ask a question for clarification?

GEN. MCCOY: Yes, quite.

DR. KOO: Would it be correct to say that, in the light of the statements made and the papers before us, as a matter of fact the functions of demobilization have been transferred to the Welfare Ministry, that is to say, while the First Demobilization Bureau has been transferred intact, it has been placed under the jurisdiction, control and supervision of the Welfare Ministry now and that the Bureau itself no longer occupies the same position or exercises the same powers as it did before the transfer to the Welfare Ministry? I would like to obtain some clarification on that.

GEN. MCCOY: Well, I understand that it is in process of being transferred now, that is, in two echelons, you might say.

Dr. Blakeslee, will you answer explicitly Dr. Koo's question? Dr. Koo, I have asked Dr. Blakeslee to answer because my memory is so bad for particulars. He's familiar with the reports and I will ask him to reply to your question.

DR. BLAKESLEE: Mr. Chairman, Demobilization Agency No. 1 was transferred intact to the Welfare Ministry.

GEN. MCCOY: On what date?

DR. BLAKESLEE: On October 15th. It was directed that Demobilization Agency No. 2 should be transferred by January 1st, but as far as I am concerned I have not received word whether or not that has been done. But the plan which should have been by orders presented to the Supreme Commander by this time provides for the complete articulation of any remaining functions of any bureau or agency into the ordinary machinery of the Japanese Government and for the dismissal, shall we say, of former Japanese army and navy officers unless they have been approved for retention by the Supreme Commander for some particular reason--

their skill--knowledge in regard to demobilization.

MR. NAGGIAR: Mr. Chairman, the very interesting point raised by our Chinese colleague has been answered in some way by Dr. Blakeslee, but what I want to know--it's perhaps a point of grammar--is the phrase "Such demobilization agency as is retained" adequate to cover the situation as it is now in the second part of January 1948, because Dr. Blakeslee said to us that on October 15th Demobilization Agency No. 2 had been ordered transferred--oh, No. 1, and No. 2 was to be transferred on the 1st of January, but the question now is, what is the situation at the present date? I raise that point, Mr. Chairman, because I consider that in this Commission we have to vote on a policy decision that covers the situation as it is, and if already the two Agencies, No. 1 and No. 2, at this present date have been transferred, it seems to me rather inadequate to decide that "Such demobilization agency as is retained" because there would be no agency retained.

(There was a slight pause at this point for consultation.)

GEN. MCCOY: Mr. Ambassador, will you pose that question again? I would like to talk it over with Dr. Blakeslee. You are referring back to the original paper now?

MR. NAGGIAR: No, I am speaking of paragraph 10 and the phrase "Such demobilization agency as is retained" which is not in the amendment. We say, "as is retained", which is the present, and I want to know what is the situation at the present date, because if the two agencies have already been transferred to a civilian--

GEN. MCCOY: One has been transferred and the other abolished. The second one has been abolished.

MR. NAGGIAR: Abolished? Then none would be retained. Are there more than two?

GEN. MCCOY: I suppose, when I say abolished, that I would have to make an exception of the minesweeping organization that is still in existence.

MR. NAGGIAR: But that would be the only one that would be retained.

MR. VESUGAR: Mr. Chairman, taking up the point where it has been left by the Ambassador from France, it appears to me that "as is retained" would apply to the Welfare Ministry who would still have to undertake the work of returning some few demobilized persons who happen to remain undemobilized. After all, 8,000,000 people had to be demobilized and it is conceivable that eight out of them are not demobilized.

GEN. MCCOY: About 850,000 are still not repatriated.

MR. VESUGAR: That comes under prisoners of war but also under the demobilization itself--

GEN. MCCOY: That's part of the general demobilization plan, of course.

MR. VESUGAR: So that it seems that for such work as remains to be done some agency has to be retained or organized or some provision has to be made.

GEN. MCCOY: Well that is being made now under this directive of General MacArthur.

MR. VESUGAR: That being so, then would the words "as is retained" apply to that? That is my subsequent question to Mr. Naggiar's question.

GEN. MCCOY: Well the question before the Commission now is a vote on the Soviet amendment. These other points will have to come up in connection with the original paper.

MR. VESUGAR: Yes.

GEN. MCCOY: Is there any other comment or discussion?

DR. KOO: Mr. Chairman, I apologise for speaking again, but I would like to ask another question. In view of the clarification just given us by Dr. Blakeslee, that actually the First Demobilization Bureau has been transferred to the Welfare Ministry, well, if that is the case, I query whether the language of the Soviet amendment is any more relevant because it says: "and its functions of demobilization should not be transferred to any other agency", I mean, it would be difficult, I

imagine, to undo something which has already been done. I would like to point out that it would be rather difficult for my delegation to vote on this amendment today.

GEN. MCCOY: Well, I think these conversations that we have had for the last few weeks have been going on at the same time that this new organization has also been going on in Japan, so that I think at any given moment, unless we have it in very broad language, we would be faced with what we were while we were discussing what had already been done, from my point of view, just what the Commission would want and, in particular, what the Soviet Ambassador would want--except that he wants it done in a different way from the way it is being done under the responsible Supreme Commander but in the main having in mind just these points that have been considered here this morning.

I think he has been trying to meet them but not at a particular date--not now on the same day but as he's able to reorganize the new civil organization and gradually get rid of the military men.

DR. KOO: In other words, Mr. Chairman, it seems to me that the suggestion made in the Soviet amendment has really been overtaken by more recent developments by action of the Supreme Commander, in actually transferring the First Demobilization Agency to the Welfare Ministry.

GEN. MCCOY: That seems so to me.

MR. PANYUSHKIN: Mr. Chairman, in view of the fact that there have been attempts to make clarifications in the provisions made in the document, which was explained by our American colleague, and in view of the fact that some of our colleagues have made conclusions, particularly the French delegate, that the actions undertaken by the Supreme Commander are already overlapping the provisions which are laid down in the Soviet amendment, I wish to say that we would welcome such covenant on the part of the Supreme Commander of our own amendment since the policy of the Far Eastern Commission is lagging behind, as it were, the actions of the Supreme Commander. However, I could not agree with the implication that the Far Eastern Commission should formulate

policies and principles following and proceeding only from the actual situations and actions taking place or taken place in Japan. In this connection I would ask whether such a position taken by some of our members of the Commission does not constitute a voluntary waiver from the prerogatives and rights and responsibilities which we have here in the Far Eastern Commission. Indeed, the Far Eastern Commission has been called to formulate policies and principles in the manner in which it is required by the Allies. If, when formulating policy or a principle, we start only from what is actually taking place in Japan, it would mean that we are going backwards or waiving our responsibilities. It is the Commission that should formulate policies and the Supreme Commander shall take actions in consonance with the policies adopted here at the Commission and not vice versa. I may be wrong--but the impression I have received from the discussion this morning is that we are ^{compromising} ~~undermining~~ our Commission. I said this because as far as I can see we are trying to make the actions of the Commission subordinate to the actions of the Supreme Commander. The statement of the United States representative to the effect that that or another paragraph of appropriate documents is an infringement on the prerogatives of the Supreme Commander should be considered as groundless because the Far Eastern Commission is called to formulate the policy, and the apprehensions on the part of the United States delegation that the actions of the Commission constitute infringement of the prerogatives of the Supreme Commander and whether or not all this is an infringement on the rights and responsibilities of the Far Eastern Commission.

DR. KOO: Mr. Chairman, may I just say a word. Perhaps, I feel my question to know what the actual situation is as regards the question of transfer of this demobilization agency and my own comment on the fact brought out by Dr. Hakeslee's reply that the First Demobilization Agency has been transferred to the Welfare Ministry may have inspired the anxiety on the part of our Soviet Ambassador. I want to say that so far as my delegation is concerned and I feel that none of us around

the table have any intention of abdicating the powers of the Commission or even in any way to reduce the powers which we have. I raise that question because I wanted to know what is the actual situation as regards the transfer and the fact which has been brought out that a transfer has been effected. It's a matter of factual importance which we must also weigh in deciding our attitude on either the original paragraph 10 or on the proposed Soviet amendment. In other words, that we can act intelligently only in the light of all the facts which are presented, which exist at this moment, without implying in any way that this Commission's powers could be in any way modified or annulled by any action taken on the part of the Supreme Commander who has acted, however, within his own prerogatives. I just wanted to make this point clear.

MR. NAGGIAR: Mr. Chairman, I quite agree with what Dr. Koo has just said, but it is quite evident that we cannot vote on a text that has no connection with the real facts. So my demand's object was to make quite clear what was the connection between the text and the facts.

GEN. MCCOY: What is your proposal at this moment?

MR. NAGGIAR: I think that--I am speaking only for the French delegation--I consider that I have not all the facts quite clear in my mind.

GEN. MCCOY: Is that your feeling too, Dr. Koo?

DR. KOO: Yes, Mr. Chairman. That is why I said a little while ago that we--

GEN. MCCOY: What suggestion would you make in this moment, and we have very few moment--and I have to put before you this morning a paper which is contingent upon some action in Congress that I would like to read before our adjournment, and we are faced with a luncheon of our colleague of Australia, so that we're in the moment of pressure of time. Is there any suggestion as to how we should act at this time in the way of order? The Ambassador has pressed for a vote and apparently the colleagues are not ready to vote. So, is there any way out that would be satisfactory to the Ambassador, who has made the motion?

MR. PANYUSHKIN: As far as I gather, some of my colleagues have not all the facts and details clarified for themselves, that is to say, they have not had everything elucidated for them, and since they are not prepared to participate in voting, the only suggestion might be that we defer this action until the next meeting in order to give the opportunity to the delegates around this table to elucidate those facts and details which they wish to clarify.

GEN. MCCOY: It would be your wish, then, that we defer voting until opportunity has been given to satisfy the representatives of France and China?

MR. PANYUSHKIN: Yes, Mr. Chairman, in order to give the opportunity to the delegates to clarify those points and details in which they have some unclarities.

GEN. MCCOY: We will remain suspended, then, like Mohammed's coffin until the next meeting, and I will communicate and see if I can obtain the information that you wish.

MR. POWLES: Mr. Chairman, before we close the discussion, may I say that I would like to give notice that the New Zealand delegation at the next meeting would like to propose the following amendment:

"The demobilization agencies should be dissolved and their functions transferred to a civilian agency."

I wish that to be made a matter of record in the minutes.

MR. PANYUSHKIN: Mr. Chairman, I have no objection whether my motion is put to a vote at this meeting or deferred until the next meeting. It's up to the Commission to decide.

GEN. MCCOY: You seconded the motion. Are you willing for us to defer until an adjourned meeting?

MR. POWLES: Quite, Mr. Chairman, if it is the general desire.

GEN. MCCOY: When do you suggest that meeting be held?

MR. POWLES: This afternoon, Mr. Chairman.

GEN. MCCOY: Would it be agreeable to the other delegates to meet this afternoon at 3:30?

MR. NAGGIAR: I won't be able to meet this afternoon, Mr. Chairman.

GEN. MCCOY: Well then I will defer until we can find out which is the most convenient time. Will Friday morning be acceptable to the delegates? Is that acceptable to you?

MR. PANYUSHKIN: Thursday, week, would be better, Mr. Chairman.

GEN. MCCOY: All right. We will adjourn then until the meeting next Thursday, after I and the British delegate have had an opportunity to read a statement under Other Business.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-236/9)

(There was no discussion of this item.)

ITEM 4 - 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)

(There was no discussion of this item.)

ITEM 5 - a RESTITUTION OF LOOTED PROPERTY (FEC-011/40, -/42; FEC-011/12, -/21, -/32 through -/39)

b RESTITUTION OF LOOTED PROPERTY: NETHERLANDS SUBSTITUTE (FEC-011/43)

(There was no discussion of this item.)

ITEM 6 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS (FEC-201/1)

(There was no discussion of this item.)

ITEM 7 - OTHER BUSINESS

GEN. MCCOY: I appreciate this because this is a statement of my Government that is being given to the press today, and I wanted to inform--it has just been brought to my attention and I feel that I ought to do it before it comes before the Congress and before the statement is published in the press. This is a statement of the United States Government which it is their intention to give to the public today. Copies will be circulated but I feel that I should read it also.

(The Chairman then read the United States press release; subsequently circulated as FEC-292.)

GEN. MCCOY: Gentlemen, it is now five minutes of one and we will adjourn until the next stated meeting.

MR. REUCHLIN: Mr. Chairman, before adjourning, I would like to ask one question. I apologize for prolonging the discussion, but do I read here that the Far Eastern Commission has recently authorized the establishment of a revolving fund? It's in here. Is that in accordance with the facts?

MR. BARNETT: Mr. Chairman, the fund referred to is that authorized by paragraph 16 g in FEC-032/25 which was adopted by the Far Eastern Commission.

MR. REUCHLIN: Oh, it's not the restitution paper?

MR. BARNETT: No.

MR. REUCHLIN: That is what I thought. Thank you.

GEN. MCCOY: You will probably want to ask some more questions later. (Laughter)

We stand adjourned, gentlemen.

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

FAR EASTERN COMMISSION

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

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

Thursday, January 29, 1948

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Held in Main Conference Room, 2516 Massachusetts Avenue, N.W.
Thursday, January 29, 1948

Representatives Present

Major General Frank R. McCoy, Chairman	(United States)
His Excellency Mr. N. J. O. Makin	(Australia)
Mr. R. E. Collins	(Canada)
Dr. S. H. Tan	(China)
His Excellency Mr. Paul E. Naggiar	(France)
Mr. S. N. Banerji	(India)
Mr. O. Reuchlin	(Netherlands)
Mr. G. R. Powles	(New Zealand)
Mr. J. U. Jovellanos	(Philippines)
His Excellency Mr. A. S. Panyushkin	(U.S.S.R.)
Mr. H. A. Graves	(United Kingdom)

Secretary General

Mr. Nelson T. Johnson

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

(The eighty-ninth meeting of the Far Eastern Commission, 2516 Massachusetts Avenue, N.W., Washington, convened at 10:40 A.M., 29 January 1948, Major General Frank R. McCoy, Chairman.)

GEN. MCCOY: Good morning, gentlemen. The session is open.

ITEM 1 - APPROVAL OF THE MINUTES OF THE 88th MEETING

GEN. MCCOY: We will consider the minutes of the former meeting for your comment or correction. The Secretary General has all ready some corrections called to his attention that he will note.

MR. JOHNSON: The Soviet delegation has asked the Secretariat to substitute on page 10, second line from the bottom, the word "repatriation" for the word "demobilization" in the speech of Mr. Panyushkin.

And then again, on page 12 of the minutes, in the speech of Mr. Panyushkin at the bottom of the page, the fifth line down, substitute "Chinese" for "French" colleague.

DR. TAN: Mr. Chairman, on page 4, the last paragraph, the fifth line, the word "surrender" before the period ought to be "occupation".

GEN. MCCOY: Are there any other comments or corrections?

There seems to be none; the minutes, as usual, will be made a matter of record.

Since our last meeting, I am sorry to announce that Sir Carl Berendsen has left us "like a bird", as it were, for a return to New Zealand, which I am hopeful will be temporary. I think that that was indicated in his note to me as Chairman. We'll miss him and hope to have him back some time in March, so that Mr. Powles, I hope, will continue to represent New Zealand in his absence.

I also know that you will join me in great personal and official regret that Mr. Lacoste has been called to higher duties, in a sense, from his individual point of view, and I can sympathize with the Ambassador in losing him.

MR. NAGGIAR: Thank you very much, Mr. Chairman.

GEN. MCCOY: I remember that he often remarked to me his varied and long service with the Ambassador and his regret at having to break off at this time. I feel a great sense of loss in his departure because so often we are serious here and Mr. Lacoste has had a sparkle in his nature that has been worthy of the best traditions of the French diplomats. I understand he is promoted to a very important position in Morocco. Can you tell us what it is, Mr. Ambassador?

MR. NAGGIAR: In Morocco, as you know, he has a higher position under General Juin. General Juin is what we call--not Governor--he is Resident General, Morocco being a French protectorate cannot have a French Governor, and General Juin has the rank of Ambassador in Morocco. Mr. Lacoste will be number two in Morocco when he joins General Juin, that is to say, that when the General will have to go home on some occasional report to the Government Mr. Lacoste will be pro tem governor.

GEN. MCCOY: Well it is a very distinguished position, and when you think of his predecessors--of course, to us not intimately concerned with Morocco--we go back in a historical sense to the great Marshal Lyautey and his remarkable work in the North of Africa and especially in Morocco, so that he can follow the line of real distinction.

ITEM 2 - CHAIRMAN OF COMMITTEE NO. 2: ECONOMIC AND FINANCIAL AFFAIRS
(FEC-004/35, SC-050/2)

GEN. MCCOY: I have to announce that on the subject of the Chairman of Committee No. 2: Economic and Financial Affairs, there is before you a unanimous recommendation of Committee No. 2 that Mr. J. F. Ford be elected Chairman, vice Mr. F. C. Everson, and was unanimously approved by the Steering Committee on 27 January.

That brings to mind--we have also lost Mr. Everson, who has been so valued and assistant not only to the United Kingdom but also to the Commission at large because of his sound mind and wide experience

in economic and financial affairs. Mr. Ford succeeds him as the representative of the United Kingdom and on that committee, and if there is no objection the recommendation of the committee itself will be approved by the Commission.

Is there any comment on this point? There seems to be none. It will be made a matter of record and of the approval of the Commission.

ITEM 3 - PROHIBITION OF MILITARY ACTIVITY IN JAPAN AND DISPOSITION OF JAPANESE MILITARY EQUIPMENT (FEC-017/17, FEC-017/19)

GEN. MCCOY: We go back to our continued consideration of this important paper on the prohibition of military activity in Japan and disposition of Japanese military equipment.

The status at present: The basic paper, being FEC-017/17 of the 017 series, is a proposed policy decision which was forwarded to the Commission by the Steering Committee on 2 December 1947.

FEC-017/19 contains Soviet proposed amendments submitted at the 86th meeting on the 15th of January. Discussion was then commenced and has continued through succeeding meetings. A motion by the Soviet representative, seconded pro forma by the New Zealand representative, to approve the proposed amendment to paragraph 10 is pending, action having been postponed to enable the Chairman to secure information in response to Chinese and French queries raised at the last meeting.

These queries of the two Ambassadors really go back to the basic paper but were brought up during the discussion of the proposed amendment, and since those queries I have received a reply from General MacArthur relative to the degree of implementation achieved under SCAPIN 1791 dated 4 October 1947:

The SUBJECT is: "Reorganization of Demobilization Machinery".

The report states that paragraph 1 was complied with on 15 October 1947 by the transfer of the First Demobilization Bureau (Army) and its related activities to the Demobilization Bureau in the Welfare Ministry.

Paragraph 3 was complied with on the 1st of January 1948 by the elimination of the Second Demobilization Bureau (Navy) and the transfer of mine sweeping, ship maintenance, and communications activities to the General Maritime Board of the Transportation Ministry and the transfer of remaining activities to the Second Demobilization Bureau, Liquidation Division, in the Demobilization Bureau of the Welfare Ministry.

The final plan for complete integration required by paragraph 2 is now in process of consideration in consultation with General Headquarters.

It is clear that the Supreme Commander has undertaken action fully consistent with his policy in reducing the size and scope of the demobilization agencies as rapidly as possible consistent with the task still remaining, that is, the very large number of war prisoners—Japanese war prisoners—in foreign custody and not yet repatriated to Japan.

That interjection—I might read it again, leaving out the reference to those not yet repatriated.

It is clear that the Supreme Commander has undertaken action fully consistent with the task still remaining with a view to the earliest possible complete liquidation of the Bureaus.

It is hoped that the above information may be of service.

I think the "meat of the coconut" there is the fact that the expressed wishes of those around this table is being carried out step by step in the way considered practicable by the executive representing this Commission.

The amendment before the Commission is that referring to paragraph 10 under the Soviet sub-letter g (FBC-017/17). It reads:

"d. Paragraph 10. In place of the penultimate sentence of this paragraph beginning, 'Such demobilization agency' and ending 'after completion of the demobilization' substitute the following:

'The demobilization agency should terminate its activities and its functions of demobilization should not be transferred to any other agency, except the functions of repatriation of Japanese prisoners of war, which functions should be assigned to some civilian agency.'"

That has been before you as a motion proposed by the U.S.S.R. and seconded pro forma by New Zealand. It has been thoroughly discussed, and, before proceeding to vote, I would once more consider any other

discussion or clarification desired. There seems to be none.

Are you ready for a vote on the question of this amendment? It has already been before the Commission in the sense of being voted on in the working committee and the Steering Committee, and at the request of the U.S.S.R. has been brought before the Commission for more thorough discussion at this level. The motion is put--proposed and seconded--and I'll call for the "ayes" and "nays", that is, our wording which means "for" or "against" the amendment. I will canvass around the table informally. Will the Secretary act as teller of the vote?

The United Kingdom position, please:

MR. GRAVES: Our position, Mr. Chairman, is that we accept FEC-017/17, paragraph 10, as it stands, and that we should be opposed to the amendment which is now before us.

GEN. MCCOY: The U.S.S.R.:

(Mr. Panyushkin, the Soviet Ambassador, spoke throughout the meeting by means of an interpreter.)

MR. PANYUSHKIN: Of course, we are in favor of our amendment.

GEN. MCCOY: The Philippines:

MR. JOVELLANOS: We are in favor of the version of paragraph 10 embodied in FEC-017/17, Mr. Chairman.

MR. POWLES: I abstain, Mr. Chairman.

GEN. MCCOY: New Zealand abstains. Holland:

MR. REUHLIN: We oppose the Soviet amendment and are in favor of paragraph 10 as contained in FEC-017/17.

GEN. MCCOY: India:

MR. BANERJI: Mr. Chairman, I am in favor of the paragraph as it appears in FEC-017/17.

GEN. MCCOY: The French Ambassador:

MR. MAGGIAR: As I said at our last meeting, it appears to me that the phrase in the draft agreement now before us is not exactly in accordance with the facts.

GEN. MCCOY: That is, you are speaking of the basic paper now?

MR. NAGGIAR: Yes. Anyhow, I will not vote for the Soviet amendment because I will abstain in voting at the present time as regards the Soviet amendment and I will reserve my position as regards the draft as it is contained in the basic paper.

DR. TAN: Mr. Chairman, in view of the recent development in demobilization in Japan, the Chinese delegation favors the original language, that is, paragraph 10 of the paper FEC-017/17.

GEN. MCCOY: Canada:

MR. COLLINS: My position is somewhat similar to that of the French Ambassador. I have some doubt as to whether the present version is an exactly correct description of the situation or of the future development. But I am not in favor of the Soviet amendment.

MR. MAKIN: We agree with the text as set out in the paper FEC-017/17 and, therefore, do not wish any change in that text.

GEN. MCCOY: The United States Government votes against the Soviet amendment, so that the amendment seems to be lost by vote of the Commission.

MR. POWLES: Mr. Chairman, at the last meeting I placed on record my intention of moving another amendment to this particular paragraph. My reason for doing so is principally because I do not feel that the present paragraph takes into consideration any of the developments in Japan and would not, if published at this stage, give an adequate impression of the real intention of the Commission. It is clear that it is the real intention, I think, of the Commission that these demobilization agencies should be dissolved. The reference in the paragraph to "Such demobilization agency as is retained" is an anachronistic reference. I would like to refer to the directive which was issued by General MacArthur on October 4th of last year, I think it is SCAPIN 1791, where General MacArthur directs the Japanese Government in paragraph 2 to prepare, and I quote: "...to prepare a

detailed plan for the effective ultimate elimination of separate demobilization agencies and the efficient and gradual absorption of all necessary remaining functions and operations connected with demobilization and demilitarization into the permanent administrative structure of the Japanese Government". Now it seems in the view of the New Zealand delegation, Mr. Chairman, that the proper expression of long-range policy intention as far as the Commission is concerned would be better contained in the words that I gave notice of at the last meeting, and these words are:

"The demobilization agencies should be dissolved and their functions transferred to a civilian agency."

Now, that is a clear statement of principle with all matters of implementation, including timing, left to the Supreme Commander, and I think that that is a proper way in which the Far Eastern Commission should state its policy on the point.

So I would like to move formally that that particular sentence be substituted for the second to last sentence in paragraph 10.

GEN. MCCOY: You make that as a motion, I take it?

MR. POWLES: Yes, Mr. Chairman.

MR. NAGGIAR: Mr. Chairman, I would like to support the view expressed by my New Zealand colleague also. I am not a great expert in the English language, but when I see in the basic paper, in paragraph 10, "Such demobilization agency as is retained", it seems to me that this is a statement of fact and if it is a statement of fact it must be in accordance with the facts. But I see no necessity in a basic paper which deals with broad principles to have reference to any facts; we have to have principle, and any other phrase that will make the Commission decide on broad principle as regards demobilization agencies will be favored by me. But, if we adopt such a phrase as it is here ("Such demobilization agency as is retained"), we have to look into the facts and see if it is retained already, in what proportion,

and then we go into a kind of statement of facts, and this is beyond what I consider the duty of the Commission. The Commission has to adopt principle. I don't know if it is possible for the United States delegation to rephrase this paragraph in such a way to be in accordance with my view--either in accepting the motion of our New Zealand colleague or for the American delegation to find other phrases--I don't know, but I consider the phrase "Such demobilization agency as is retained" as a statement of fact. Then we have to go into the facts, and I see no necessity for the Commission to go into detail on the determination of the facts.

GEN. MCCOY: Well, will the motion of New Zealand cover that point adequately?

MR. NAGGIAR: I think so, Mr. Chairman, yes.

MR. COLLINS: Mr. Chairman, I would also like to support personally the suggestion made by my New Zealand colleague. I think it is in closer accord with the present situation and the likely future situation than the sentence as it now appears in the paper. And I have an open mind as to any other version that might be more acceptable, including any of yours.

GEN. MCCOY: I will declare a recess of five minutes.

(The meeting recessed at 11:15 A.M.)

(The meeting reconvened at 11:20 A.M.)

GEN. MCCOY: The session will resume its work, gentlemen.

MR. PANYUSHKIN: Mr. Chairman, since the Soviet amendment to paragraph 10 which, in our opinion, is an exhaustive and full wording which is consistent with the responsibilities of this Commission to formulate policies has not been adopted here, the Soviet delegation supports generally the amendment suggested by the New Zealand representative with the following amendment to it. We consider this amendment more in accord with the responsibilities of this Commission, which are to formulate policies. We would like, however, to add the following

words to the New Zealand amendment after the word "functions", so that the whole amendment should read as follows:

"The demobilization agencies should be dissolved and their functions of repatriation of Japanese prisoners of war will be transferred to a civilian agency."

The question arises, "Why does the Soviet delegation suggest this amendment to the wording proposed by the New Zealand delegate?" The reason is as follows: From the document presented to the Far Eastern Commission the demobilization, as such, has been completed. Therefore, we consider that the demobilization function should not be transferred to anybody. What remains, however, is the repatriation of the Japanese prisoners of war. Therefore, the addition that we suggest to the New Zealand amendment makes that amendment quite clear and precise.

That is all, Mr. Chairman.

DR. TAN: Mr. Chairman, I should like to ask the meanings of certain terms in view of the Soviet amendment to the New Zealand amendment.

In this paragraph we have been talking about demobilization and here, according to the Soviet amendment--the new words added after the word "functions"--"their functions of repatriation of Japanese prisoners of war will be transferred.....", ordinarily we understood the word "repatriation" as a different process. After V-J Day, with Japanese prisoners of war in various Allied countries, the first part of the work was to repatriate them--send them back to Japan. We usually use the word "repatriation" in that sense, but at the time they arrive in Japan, as they did, then demobilization would start. Now, in view of this new amendment by the Soviet delegation, I wonder if there is a meeting of minds as to what we are talking about because repatriation necessarily has to happen first. By the time when the prisoners of war will have arrived in Japan, then

demobilization ought to start.

GEN. MCCOY: Well, it seems to me that this amendment proposed by the U.S.S.R. still leaves a muddiness of interpretation rather than a clarification. We're both conscious of the importance of the interpretation that will be given by the Supreme Commander, and the New Zealand amendment almost meets the consideration that I have to give it as the United States representatives.

Under the circumstances I could not accept the change suggested by the U.S.S.R. but I could accept the New Zealand clarification by making an insertion to meet the responsibilities of my Government. To get the relative understanding, I will read the suggested change in the New Zealand amendment on my part as representing the United States:

"The demobilization agencies should be dissolved as soon as practicable and their functions transferred to a civilian agency."

MR. COLLINS: Mr. Chairman, that revision will be acceptable to me.

GEN. MCCOY: Would that be acceptable to you as representing New Zealand, Mr. Powles?

MR. POWLES: Well, Mr. Chairman, in my own view, as I have indicated before, it is not important in Far Eastern Commission policies to make any reference to timing. We have always regarded timing as a matter for the Supreme Commander and I don't feel that the added wording adds anything to the sense of my amendment because, after all, anything that is directed to be done is always done as soon as practicable. It is never done before that and if it is done after that it is not being correctly done. So one must assume that that is the intention of my amendment and I feel that the insertion of those words, which I consider unnecessary, could possibly be regarded in some way as weakening the form of it. I don't myself object very strongly to the insertion of the words, but my object in moving the

amendment was to endeavor to find a frame of words upon which it might be possible to secure agreement within the Commission and, consequently, at this stage I would prefer to have my amendment as of record in its form as it is until one has an opportunity of having a discussion upon it and ascertaining whether there is any possibility at all of its being accepted in its original form, because I have a feeling that the insertion of those words would make it perhaps less likely of acceptance.

As far as concerns the Soviets' amendment to my frame of words, I don't feel that I can accept that, and that is principally for the reasons adduced by Dr. Tan—that demobilization, according to the way that I look at it, is a function which takes place within a country and is the operation of returning a soldier to his civilian life whereas repatriation, of course, takes place as a rule outside a country and is the operation of returning a soldier to his native land. Consequently, I feel that the word "repatriation" in the Soviet suggestion doesn't correctly indicate what my meaning was.

MR. NAGGIAR: Mr. Chairman, I had been satisfied with the wording of the motion of our New Zealand colleague because it suggests an affirmation of broad principle and, in my opinion, as long as we stuck to affirmation of principle we have always been able to agree on the affirmation of principle, but if we go further and try to extend our action sometimes we don't agree.

As regards the Soviet adjunction to the New Zealand amendment, I am not in favor of it because of its strict scope of certain action of the demobilization agency, and I think it will be better just to use the words "demobilization agency" without giving any detailed definition or restricted definition of its function. And if you will allow me to add, perhaps for the same reason I don't think it will be very useful to use the words "as soon as practicable" as proposed by the United States delegation for the reason that I have always had the position

here that we just have to affirm principles and let the Allied Commander implement those principles.

What will happen if we adopt the New Zealand wording then, the wording: "The demobilization agencies should be dissolved and their functions transferred to a civilian agency"? If we adopt this sentence, then later on perhaps we may have to ask explanations of the Supreme Commander of what he has done with our principle, that is, implementation. We will ask the United States Government to give us some information of what the Supreme Commander has done with our principle. But I don't suppose we will have to go beyond and here encroach upon the field of implementation, in trying to introduce the idea of practicability, because that is implementation. So I submit that the duty of the Commission is to affirm principles and let the Supreme Commander implement those principles. If we are not satisfied with the way he implements our decision, then we have to ask for information, explanation, and make some remarks. But it will be much easier for us to agree on principle than to go beyond that stage and at the same time more or less we will encroach upon the Supreme Commander's powers.

MR. GRAVES: Mr. Chairman, this is an entirely new amendment which we now have before us and as it is a substantial one and has reference to a paper which has already been approved by my Government, FEC-017/17, it would have to be referred, and I am not in a position to discuss the amendment at the present time. If the question is likely to be a point of issue, as we can see from the discussion this morning, I would ask that the amendment be circulated in the usual manner to give us an opportunity to refer it to governments, and I am afraid I shall not be able to give any decision before some little time.

GEN. MCCOY: That would apply to all amendments then on your part?

MR. GRAVES: Well I have instructions, of course, on the ones

that have been before us and which we are now considering in FEC-017/19, but this is a new amendment and it would therefore have to be referred.

MR. REUHLIN: Mr. Chairman, Mr. Graves just stated that this amendment is of a new character. I don't quite agree with him on that point because the reason that I can associate myself with my New Zealand colleague is because I think it says almost exactly the same, as I interpret it, as the phrase beginning with "Such" in paragraph 10 as it existed. What does paragraph 10 say? Paragraph 10 says, as we have it here before us in SC-017/17, that demobilization agencies, as such, that is the demobilization agencies, should be abolished and they should have, the ones that are kept, the character of a civilian agency. This is exactly what Mr. Powles proposes in his motion. The only thing which I don't think is in this amendment, that is, that the function which is transferred to the civilian agency is not terminated. ~~_____~~ In the old phrase we have that it should be abolished immediately after completion of its task. So I would like to add to Mr. Powles' motion at the end that this civilian agency should be abolished immediately after the completion of its task.

Coming to the Soviet addition, I could agree with that only it doesn't go far enough for me for the reasons stated by Dr. Tan and Mr. Powles, because I could agree if he would add the words "after repatriation of Japanese prisoners of war and their demobilization" because I, for the Netherlands delegation, would not like to leave Japanese prisoners of war roaming around Japan who have not been demobilized. So I could support the amendment but I would like to add after the Russian amendment, after the words "prisoners of war" - "and of demobilization" and at the end I would like to add that they should be abolished immediately after completion of their task. And, if that is done, in my mind it's exactly the same as that which we have in other words.

I am, for the same reasons as stated by Mr. Powles and the

French Ambassador, rather disinclined to favor the addition of the words "as soon as practicable" because I think, with Mr. Powles, that if a thing isn't practicable it can't be done and it should be done immediately when the Supreme Commander can do it.

GEN. MCCOY: Well that was inserted with the idea that Mr. Powles' amendment is very definite and states, in relation to the basic paper, that it will be done at once.

MR. REUCHLIN: It doesn't say so.

GEN. MCCOY: Well that is the implication that is understood by the U.S.S.R., as I take it.

DR. TAN: Mr. Chairman, I should like to make a remark about certain terms again. I think we ought to clear our thinking, at least try to keep in mind, that we are talking about two things: first the agency of demobilization, and then the function of demobilization. As we know, there is no demobilization bureau. One has been already incorporated and another one, according to our information, would be incorporated pretty soon in the Ministry of Welfare. Now the Ministry of Welfare is not a demobilization bureau and we don't have to consider it as such, but it would undertake certain functions of demobilization. Now such functions, we may say, were left over—what the Chairman ~~referred~~ referred to at the last meeting—the loose ends of demilitarization. Now, if my thinking is correct, even if I were in the position of the United States delegation, it is perfectly all right to accept this amendment of Mr. Powles without such words as "as soon as practicable" because, according to the Chairman's report, the functions are being incorporated into the Ministry of Welfare anyhow. In other words, Mr. Chairman, when the first demobilization bureau was incorporated into the Ministry of Welfare, then technically we can say there is no demilitarization agency in existence.

MR. COLLINS: Mr. Chairman, following on from Dr. Tan's remarks, I would not be too happy about the addition suggested by the Netherlands

colleague because I should think the implication of that is that the Ministry of Welfare should be abolished. One surely would not wish to abolish the entire Ministry of Welfare simply in order to get rid of the demobilisation function.

GEN. MCCOY: You can see that the complications are quite many. They have been so thoroughly considered in the working committee that the basic paper seems to me to cover the thing sufficiently to cover these points that have been raised, and I would be very much happier to see that basic paper, in spite of the difference in what might be called semantics, be the policy of the Commission. However, this brings a certain clarification and I'm disposed to consider the points at issue and put them before you one by one.

MR. MAKIN: Mr. Chairman, may I say that we are rather inclined to the view that has been expressed by the New Zealand representative this morning. It seems to us to bring the matter to its proper logical expression and, while either the text as expressed by yourself or that of New Zealand would be quite acceptable to us, we feel that the view that has been given to the Commission this morning by the representative for New Zealand has considerable merit and we would feel disposed to support the view that he has expressed this morning.

GEN. MCCOY: I'm seeking an area of agreement and that wouldn't bring agreement.

Informally speaking, Mr. Ambassador of the U.S.S.R., is there anything but your own suggestion that you could accept, because I feel that it is easy enough to get agreement otherwise in the effort to reach agreement, so that I would like to find some way of reaching agreement with your wishes. Could you accept, for instance, the effort of the New Zealand representative in his form without your own amendment? Could you accept his amendment?

MR. PANYUSHKIN: Mr. Chairman, the words "demobilization" and "repatriation", of course, are not the same and naturally the demobili-

sation should come before the repatriation. Demobilization implies demilitarization or rather disarmament and disbandment of military units while repatriation implies the return of the Japanese former soldiers as citizens of their country to their native land and not in the military units in which they were before, but as Japanese citizens. Therefore, repatriation should come—therefore, demobilization should come before repatriation. That is the Soviet delegation's point of view on the question of repatriation and demobilization. Since it is clear from the statement of General MacArthur to the effect that the demobilization has been completed, any transfer of the functions of further demobilization to the demobilization agency which has been incorporated into the Ministry of Welfare would signify a doubt under which would come the actions of the Supreme Commander. In this connection the Soviet delegation has suggested an amendment to the wording which had previously been proposed by the New Zealand delegation. The amendment suggested by the New Zealand representative is not new to us.

As far as the amendment suggested by the American representative, I agree with the opinion expressed by the New Zealand representative that the American amendment does not improve the wording of the New Zealand amendment. Therefore, the Soviet delegation considers as correct and consistent with the principles of the Far Eastern Commission the amendment which was suggested by ourselves to the New Zealand wording.

(There was a slight pause for consultation).

GEN. MCCOY: Is it desirable on your part to press your amendment to a vote in view of the fact that it would not be acceptable to either the Soviets or to the United States?

MR. POWLES: Well, Mr. Chairman, there is no purpose in pressing for a vote under those circumstances.

GEN. MCCOY: Apparently the same thing would apply to the United

States. I take it that you do not accept that, that is, the New Zealand amendment with the insertion proposed by the United States?

MR. PANYUSHKIN: No, Mr. Chairman.

GEN. MCCOY: I think then, without voting on these express efforts to get together, that we can at this moment clear away the efforts at compromise proposed by New Zealand, the U.S.S.R., and the United States.

If it is agreeable, I will make one more effort, having in mind that we will eventually have an opportunity to decide this question on the basic paper, but, in view of the evident wish to take some action at this time in the shape of an amendment, I put this before you in the form of an amendment--proposed amendment--but not asking for--not making a formal motion--just one more effort to see if we could find some area of agreement:

"The Japanese military demobilization agencies should be dissolved and any uncompleted functions, such as the demobilization of Japanese armed forces not yet repatriated, should be transferred to civilian agencies."

MR. GRAVES: Mr. Chairman, that is a formal proposal, is it?

GEN. MCCOY: Well, I was just not making a formal proposal yet. I was simply putting it before you for discussion, to see if that met with the agreement in trying to find a formula.

MR. GRAVES: And, may I ask whether Mr. Powles' previous amendment is still before us?

GEN. MCCOY: No, I cleared the boards of that with his consent and that of Canada, I assume also, under the conditions or circumstances where neither or no one of those would be accepted by one or more of the veto Powers.

MR. COLLINS: I do think that the New Zealand amendment has an additional point. It is not only an effort for a compromise but it is a better version for the paper. But if the New Zealand member wishes to withdraw I am perfectly agreeable.

GEN. MCCOY: Well I won't comment on that since it is beside the mark now, and put before you this additional formula. It will be typed in a moment and while you are waiting for it we will put it before you. I will read it again:

"The Japanese military demobilization agencies should be dissolved and any uncompleted functions, such as the demobilization of Japanese armed forces not repatriated, should be transferred to civilian agencies."

That is an effort to meet the Chinese and other comments on his remarks, and with the hope that the U.S.S.R. could find it a practicable alternative.

(There was a slight pause awaiting typed copies.)

MR. REUCHLIN: Mr. Chairman, in the meantime, while we are waiting, may I have what we may call a military counsel's opinion? I was under the understanding that you couldn't demobilize before repatriating. Now it says here that you can demobilize before you repatriate. May I have technical opinion—whether that is possible, because the Russian Ambassador also made that point, that you can demobilize before you can repatriate. I was under the understanding that you couldn't. But in this proposal it says so—that demobilization of armed forces not yet repatriated.

(The Chairman handed the Netherlands representative a rough draft of the United States proposal, and there was a further pause in deliberations awaiting typewritten copies.)

(Typewritten copies of the draft were circulated at this point).

MR. PANYUSHEIN: Mr. Chairman, as is known, the First Demobilization Bureau, which is a military demobilization agency or organ, has been transferred to the Ministry of Welfare. Therefore one could draw the conclusion that in effect the military demobilization bureau has been retained—only under a peaceful civilian name. To my mind this doesn't correspond to our principle nor does it correspond to the statements we

have had on this question.

My second point--the main question is that the wording speaks of demobilization after repatriation but, as was pointed out before, demobilization should come before repatriation.

As far as Japanese prisoners of war in Russia are concerned, these have been disarmed and disbanded as military units. Therefore, in the Soviet Union demobilization of Japanese troops was completed a long time ago. Probably there are Japanese military units in other countries which units have not yet been disarmed and disbanded. The delegates around this table would probably say, if such facts take place in their countries, why these Japanese military units have not been disarmed and disbanded.

Coming back to the Japanese prisoners of war in Soviet Russia, the repatriation of these Japanese soldiers is proceeding at the rate of 50,000 men monthly. During some months we are repatriating more than 50,000 but it depends on the transportation facilities which the Supreme Commander is providing to us.

MR. POWLES: Mr. Chairman, I feel that the amendment which has now been suggested by the United States delegation is a very valuable contribution. I think that provisionally it would be very acceptable to the New Zealand delegation, but I think also that one should have a little opportunity for considering it and its implications. So I would suggest that perhaps we might come back to a consideration of this amendment at a later stage--not necessarily at this meeting, because now it is getting a bit late--but before we do that I should like to plunge into the discussion of the question of the meaning of the word "demobilization".

I think that it is unfortunate that we have this difference of opinion as to meaning because one is well aware of translation difficulties and of interpretation. But the process of demobilisation, as I understand it and I think correctly understood, is the whole pro-

cess involved in getting a soldier out of the army into civilian life, and if that soldier happens to be outside his native land the process includes bringing him back to his native land, if he wants to come, or else if it is decided that he should come. We are well aware of cases where demobilization takes place outside the native land, but that is with the consent of the soldier and of the government concerned. So we can put that on one side.

I would think that repatriation, which, to my mind, is the movement of the body of the soldier or the ex-soldier from wherever he was back to his native land, repatriation, in that sense, is part of demobilization.

Now, if the Soviet Ambassador is correct, and I have no doubt he is correct when he says that the prisoners of war in Soviet Russia have been disarmed and disbanded and no longer exist as soldiers, that is part of the process of demobilization—but it isn't all of it, because when they come back to Japan something has got to be done to them. They arrive—they come off these ships—and at the ports of entry—and they have got to get home. They have got to be taken to their homes. Somebody has got to find out where their homes are and somebody has got to take them there. Now, what is that process? It's not repatriation because they are already at home—they are already in their home country, and if it is not demobilization—if it is not a part of demobilization I just don't know what it is. It may have another name—we may be able to describe it by another name—but I think it is essentially a part of demobilization, because when they come back and land on the shores in Japan each individual soldier has got to be asked what his name is; what his unit was; and a reference has got to be made to the military records of the Japanese Government to ascertain where his home is. All those sort of things have got to be checked. So it seems to me that it is definitely a part of demobilization, and consequently I think that the difference of opinion as to interpretation of this word

really ought to be removed.

Now I would like to say one further thing and that is on the question of the reference in the United States amendment to the words "Japanese armed forces". It seems to me it's unnecessary to refer to Japanese armed forces because it is common ground that there aren't any Japanese armed forces in existence. Wherever they are they have been disarmed and disbanded. They no longer exist as Japanese armed forces. Nevertheless, the ordinary human Japanese beings--the bodies--do exist in various countries and they do exist because of the fact that they are prisoners of war, and I would suggest that the United States amendment would be improved if, instead of saying "Japanese armed forces" we said "Japanese prisoners of war not yet repatriated"--

GEN. MCCOY: Well, I feel that we have so much business ahead of us here that I would like a little help in disposing of it. This is not before you as a formal amendment. It was simply a suggestion that has brought forth what it was intended to, and I take it it's not acceptable to the U.S.S.R.?

MR. PANYUSHKIN: No, Mr. Chairman.

GEN. MCCOY: So that the suggestion, following the disposal of the proposed amendments, is no longer before us until we approach the basic paper.

Since there is only one amendment for consideration at this time, I would refer to it--paragraph 13:

"g. Paragraph 13. In line two insert the words 'the following' after the word 'militarism'; insert a colon after the word 'institutions' in line 5, and delete the words 'except as they may be necessary in performing duties essential to the demobilisation of repatriated military and naval personnel.'"

Is it your wish to consider that now or do you prefer to go on to Other Business and defer this to a later meeting?

MR. PANYUSHKIN: Mr. Chairman, it will depend as to how you yourself will rule.

GEN. MCCOY: Well I will consult my colleagues then. Do you wish to proceed to the discussion on this last amendment now or defer it to another meeting? It is 12:30 o'clock and there are several matters that need attention this morning before we adjourn. If there is no objection then, we will defer discussion of this next amendment to another meeting.

Is it the desire of the Commission to--in view of the time that it takes and will take to consider this amendment and the paper itself--hold a special meeting or is it the wish to defer it until the next stated meeting? I will assume that the Commission wishes to consider it in the normal order of procedure.

MR. REUCHLIN: Mr. Chairman, may I ask whether it wouldn't be expedient to defer decision on this particular point until we see as to what items we can still finish this morning, because it may be necessary, if we only come to Item No. 4 and Items No. 5, 6, 7, and 8 are left, that we will have an extra meeting. Otherwise it would again take one week. So, perhaps a decision could be taken at the end of this meeting when we see how far we can get, if that is agreeable to you.

GEN. MCCOY: Quite.

Before we leave this question, I want to make just one remark, in reply to the Ambassador's very clear statement of his position where he mentions the agencies transferred by General MacArthur in October and ~~GENCO~~ in January, that it is the view of my Government that these agencies are no longer military agencies but from the transfer become civilian agencies.

ITEM 4 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-236/9)

(There was no discussion of this item.)

ITEM 5 - 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)

(There was no discussion of this item.)

ITEM 6 - a RESTITUTION OF LOOTED PROPERTY (FEC-011/40, -/42; -/12, -/21, -/32 thru -/39)

b RESTITUTION OF LOOTED PROPERTY: NETHERLANDS SUBSTITUTE (FEC-011/43)

(There was no discussion of this item.)

ITEM 7 - TRAVEL OUTSIDE JAPAN OF JAPANESE COMMERCIAL REPRESENTATIVES (FEC-293)

GEN. MCCOY: I will now proceed to introduce the paper Travel outside Japan of Japanese Commercial Representatives (FEC-293), which is a proposed policy decision, and is submitted by the United States representative for the consideration of the Commission. I would like to make a statement in connection with that particular paper:

"I wish to call your attention to FEC-293, 'A Policy for the Travel Outside Japan of Japanese Commercial Representatives'.

"You will remember that last week I made a statement with regard to the need for increased emphasis on the attaining of a self-supporting Japan with a reasonable standard of living. I also stated that the United States Government was requesting favorable consideration of future policies to be presented to the Commission toward this end.

"The United States Government believes that the policy now before you would be of considerable assistance in the achieving by Japan of a self-supporting economy. The United States member of Committee No. 2, to which I suggest this paper be referred, will explain in detail the reasons why approval of this policy would constitute an important contribution to attainment of Japan's self-support."

I believe, Mr. Graves, you had a statement that you wanted to read to the Commission?

MR. GRAVES: Yes, Mr. Chairman, under Other Business.

MR. NAGGIAR: Mr. Chairman, is the statement of Mr. Graves dealing with FEC-293 or something?

GEN. MCCOY: No, it is Other Business.

MR. NAGGIAR: Well, may I say a word about the American proposal? I welcome this proposal and I suppose we will decide to have it brought before the committee.

GEN. MCCOY: Yes, Committee No. 2.

MR. NAGGIAR: I make the suggestion that this proposal be examined by the proper committee at the same time as a revision of our policy decision on the admittance of foreign commercial travelers into Japan. I suggest this revision because the basis of our policy decision as regards introduction or admission of foreign travelers in Japan is that they are subjected to a quota, and in this proposal in favor of the Japanese commercial travelers being admitted in Allied countries there is no provision for a quota. So I think the two cases will have to be dealt with together in the proper committee in order that there will be no special advantage given to the Japanese is the same advantage is not given at the same time in Japan to Allied commercial travelers.

GEN. MCCOY: That remark will be referred to the committee.

ITEM 8 - ADVANCE TRANSFERS OF JAPANESE REPARATIONS (FEC-201/1)

(There was no discussion of this item.)

ITEM 9 - OTHER BUSINESS

GEN. MCCOY: We will give the United Kingdom an opportunity to make a statement.

a. Statement Regarding FEC-288

MR. GRAVES: Mr. Chairman, I would like to refer for a moment to the paper FEC-288 which has been circulated for the consideration of

the Far Eastern Commission and was referred to Committee No. 1:

"I have made a preliminary study of the document circulated as FEC-288 (Definition of Japanese Occupation Costs and the Priority to be accorded their Repayment), and wish to make a comment on paragraph 2 (c) which seems to be at variance with the policy decision taken in FEC-032/26.

"You will recall, Mr. Chairman, that in paragraph 16 (c) of FEC-032/26 there is a provision that stocks of gold, silver, other precious metals, precious stones and jewels of clearly established Japanese ownership ultimately should be disposed of as reparations. This, in our opinion, is a controlling phrase.

"At the time the policy was passed you stated for record in the minutes that the understanding of your Government was that the disposition as reparations of stocks of gold, silver, et cetera, referred to in paragraph 16 (c) should be in accordance with the following provision of FEC-014/9, Basic Post-Surrender Policy for Japan:-

'The reparations shall be in such a form as would not endanger the fulfillment of the program of demilitarization of Japan and which would not prejudice the defraying of the cost of the occupation and the maintenance of a minimum civilian standard of living.'

It is however the view of my Government that paragraph 16 of FEC-032/26 - a policy of a date later than the Basic Post-Surrender Policy - must be read as a special application of FEC-014/9 Part IV (4) and that since the two documents are on the same basis, being both records of agreement by the Far Eastern Commission, the decision in paragraph 16 must be assumed to have been taken by the Far Eastern Commission with Part IV (4) in mind and on the basis that the allocation of this gold to reparations did not in fact prejudice the question of meeting the costs of occupation.

"A somewhat similar example is found in the taking of surplus Japanese industrial equipment as reparations and in regard to which there is agreement that this does not in fact prejudice the payment of occupation costs.

"The object of drawing attention to this point in the Commission is to ensure that the working committee shall have as much basic material, from the beginning of their deliberations, as is available."

GEN. MCCOY: I think it would be well to circulate that.

MR. GRAVES: May I circulate it also to the Secretariat?

GEN. MCCOY: I would like to have considered with the statement of the representative of the United Kingdom the following statement from my Government that I find that it is prepared in a very pleasant way. So, instead of making that formal statement, I will thank you, Mr. Graves, for drawing attention to the importance of the policy proposals contained in FEC-288 which will now be discussed in detail by the Reparations Committee.

I would like to make this comment, however, on your statement:

"The United States Government approved paragraph 16 (c) of FEC-032/25 on the understanding that the disposition of gold, silver, et cetera, as reparations should be in accordance with FEC-014/8, which is the Far Eastern Commission's Basic Post-Surrender Policy for Japan. Since that is the basic policy of the Far Eastern Commission we consider its terms to be controlling unless amended."

Copies of this will also be circulated with your paper and referred to Committee No. 1, isn't it?

MR. GRAVES: Yes.

GEN. MCCOY: In view of the fact that it is a quarter of one, if there is no further business at this time, we will stand adjourned.

MR. REUHLIN: Mr. Chairman, I have the greatest admiration for

the youthful agility in which you jumped from Item 3 to Item 7, but I would not like in the minutes for it again to appear that these items were postponed unanimously by agreement. In view of that fact I have no objection to adjourn, but would it be possible that we have a meeting before next week, Thursday? As you know, especially Item 6 has our great interest, and I would like that this paper wasn't drowned every meeting through the military technical discussions. So, if it were possible, to find a date before next Thursday, I would very much appreciate that.

GEN. MCCOY: I always, of course, would like to call a meeting at any time anybody wishes it, which may be agreeable to the Commission, so that if you will propose a special meeting I will see—

MR. REUCHLIN: Perhaps the Secretariat has a suggestion. Tomorrow morning would be perfect for me. Monday morning, wouldn't that be better?

MR. MAKIN: Wednesday is the most suitable day for me. I will be in New York on Monday.

GEN. MCCOY: I am sorry that it will be impracticable. I have to consult my Government on a number of things. It wouldn't be practicable.

MR. MAKIN: Well how about Wednesday morning, Sir?

GEN. MCCOY: Would Wednesday morning of next week be agreeable to all concerned for a special meeting?

MR. PANYUSHKIN: Mr. Chairman, what will be the agenda of that special meeting?

GEN. MCCOY: The uncompleted agenda of today.

MR. PANYUSHKIN: In that case, if you have a special meeting on Wednesday, will you also have one on Thursday?

GEN. MCCOY: Well that would be the intention, if agreeable to the Commission.

MR. PANYUSHKIN: No objection, Mr. Chairman.

GEN. MCCOY: We will then adjourn for a special meeting on next Wednesday morning at 10:30 A.M., and the agenda will be the uncompleted

agenda of this morning.

(The meeting adjourned at 12:45 P.M.)