DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

Confidential
PRIORITY

FROM : CSGPO NR : W 89828 25 SEP 48 CONTINUED

because of unsatisfactory conditions at present existing in Tuna area west of Latin America. If these conditions persist or worsen, access of Japanese to high seas surrounding TRUST area might severely penalize US Fishing Industry. Based on figures presented in your CX 58322, State assumes money loss to US if Japan is excluded from TRUST territory would be approximately $2,225,000. However, greater return would probably accrue to this govt if US industry were to operate actively in TRUST territory through tax return and other indirect benefits.

Emphasis is also placed on the return of foreign exchange, estimated at $7,000,000 per annum, which would accrue to Japan when access is permitted to Albacore Tuna area in North Central Pacific included in the smaller increment proposed in Para 1 above.

B. Navy: If the Japanese were allowed to enter high seas surrounding TRUST territory, it would not be possible to prevent landings to obtain bait or food. The present undisturbed conditions would be adversely affected by the resentment of the natives who still harbor ill feelings toward the Japanese. There would be a possibility of further Japanese depredations for which there is a post war precedent.

The US Govt would not be fulfilling its obligations under the Trusteeship Agreement because entry of Japanese would have deteriorating effect on local economy (NCR 12102 refers).

C. Interior: If conservation regulations can not be enforced in the present area, as indicated in reports from your hq. a further increase is not desirable. However, when it is demonstrated that these regulations are observed, there should be no objection to granting to the Japanese complete freedom of the seas.

Minor amendment also supported by State Navy, Interior is as follows:

Para 5 of conclusions and Para 3 of Appendix C to be replaced by Paras 4 D (1), (2), (3) of SWNCC 99/3.

SANACC is prepared to approve and submit to FEC the policy in SANACC 99/4 as amended in the foregoing paras. Advantages to approval are:

A. Amended policy would probably be acceptable to the FEC and future additions to the area could be made through bilateral negotiations (Para 2 B Appendix C SANACC 99/4) outside the cumbersome FEC machinery. Preliminary FEC discussions have portended difficulty and delay in obtaining agreement to the

88703

(over)

PRIORITY
Confidential
-2-

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

GENERAL HEADQUARTERS, FAR EAST COMMAND
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

INCOMING MESSAGE

FROM : CSGPO NR : W 89828 25 SEP 48 CONTINUED

increase proposed by you (ourads 97992 and 84744).

B Immediate benefit to Japanese economy by entry into North Pacific area this winter.

Department of Army inclined to accept smaller area in interests of of expediency with the understanding that the question involving entry into the TRUST territory will be reopened in 3 months, provided you consider this gives you the additional fishing area required for the time being.

To assist you in your study of this problem SANACC 392/1 was approved 23 Sep with Para 4 H of conclusion amended as follows:

"Except as provided in Para 4 A above, and subject to the right of the High Commissioner of the TRUST territory of the Pacific within established governmental policy to exclude any individual or group of individuals for reasons of security, and the obligation to promote the advancement of the inhabitants, the principle of non-discrimination on the basis of nationality shall be observed in the implementation of the foregoing principles and shall apply to all aspects of commercial fishing and ancillary operations and the regulation thereof in the TRUST territory."

Request your comments soonest and in any event not later than 4 Oct.

NO SIG

ACTION : DIPLOMATIC

INFORMATION : COMMANDER IN CHIEF, CHIEF OF STAFF, G-2, G-3, G-4, AG, ECON & SCI, NAT RESOURCES, COMNAVFE

88703 PRIORITY Confidential 3- TOO : 250031 Z MCN : 84756

Paraphrase not required. Handle as correspondence of classification carried hereon per paragraphs 51*i* and 60*a*, AR 380–5.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

CDC
11m

GENERAL HEADQUARTERS, FAR EAST COMMAND
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

Cof S.

INCOMING MESSAGE

(Confidential)
PRIORITY

25 Sep 48

FROM : CSGPO

TO : SCAP

NR : W 89828

Reurads CX 58322 Jan, C 61025 May, C 61147 Jun; curads 97992 Mar, 99800 Apr, 84744 Jun; CNO Cable Feb NCR 12102.

Department of Army now having unexpected difficulty obtaining top level agreement of other departments to suggested enlarged fishing area recommended urad CX 58322. State Navy Interior desire change in Para 2 A Appendix C of SANACC 99/4 curad 99800 as follows:

"From a point midway between Nosappu Misaki and Kaigara Jima at approximately 43 degrees 23 minutes north latitude, 145 degress 50 minutes east longitude; to 43 degrees north latitude 146 degrees 30 minutes east longitude; thence to 45 degrees north latitude, 165 degrees east longitude; thence east to 180 degrees longitude; thence south along 180th meridian to 24 degrees 30 minutes north latitude; thence west along the parallel 24 degrees 30 minutes north latitude to 123 degrees east longitude; thence to 32 degrees 30 minutes north latitude, 125 degrees east longitude; thence to 33 degrees north latitude, 127 degrees 40 minutes east longitude; thence to 40 degrees north latitude, 135 degrees east longitude; to 45 degrees 30 minutes north latitude, 140 degrees east longitude; thence east to 45 degrees 30 minutes north latitude, 145 degrees east longitude rounding Soya Misaki at a distance of 3 miles from shore; south along 145th meridian to a point 3 miles off the coast of Hokkaido; south along a line 3 miles off the coast of Hokkaido rounding Shire Toko Saki and passing throuth Nemuro Kaikyo to the starting point midway between Nosappu Misaki and Kaigara Jima."

Above Departments do not concur in extension southward into USSR territory. Objections advanced as follows:

A. State: Immediate entry Japanese into high seas surrounding USSR territory not conducive best interests US Fishing Industry which desires to exploit this area, particularly

(over)

88703

PRIORITY
Confidential

Paraphrase not required. Handle as correspondence of classification carried hereon per paragraphs 51*i* and 60*a*, AR 380–5.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 3(D) OR (E) NNDG # 773 072

Confidential
PRIORITY

FROM : CSGPO NR : W 89828 25 SEP 48 CONTINUED

because of unsatisfactory conditions at present existing in Tuna area west of Latin America. If these conditions persist or worsen, access of Japanese to high seas surrounding TRUST area might severely penalize US Fishing Industry. Based on figures presented in your CX 58322, State assumes money loss to US if Japan is excluded from TRUST territory would be approximately $2,225,000 However, greater return would probably accrue to this govt if US industry were to operate actively in TRUST territory through tax return and other indirect benefits.

Emphasis is also placed on the return in foreign exchange, estimated at $7,000,000 per annum, which would accrue to Japan when access is permitted to Albacore Tuna area in North Central Pacific included in the smaller increment proposed in Para 1 above.

B. Navy: If the Japanese were allowed to enter high seas surrounding TRUST territory, it would not be possible to prevent landings to obtain bait or food. The present undisturbed conditions would be adversely affected by the resentment of the natives who still harbor ill feelings toward the Japanese. There would be a possibility of further Japanese depredations for which there is a post war precedent.

The US Govt would not be fulfilling its obligations under the Trusteeship Agreement because entry of Japanese would have deteriorating effect on local economy (NCR 12102 refers).

C Interior: If conservation regulations can not be enforced in the present area, as indicated in reports from your hq a further increase is not desirable. However, when it is demonstrated that these regulations are observed, there should be no objection to granting to the Japanese complete freedom of the seas.

Minor amendment also supported by State, Navy, Interior is as follows:

Para 5 of Conclusions and Para 3 of Appendix C to be replaced by Paras 4 D (1), (2), (3) of SWNCC 99/3.

SANACC is prepared to approve and submit to FEC the policy in SANACC 99/4 as amended in the foregoing paras. Advantages to approval are:

A. Amended policy would probably be acceptable to the FEC and future additions to the area could be made through bilateral negotiations (Para 2 B Appendix C SANACC 99/4) outside the cumbersome FEC machinery. Preliminary FEC discussions have portended difficulty and delay in obtaining agreement to the

(over)

88703

PRIORITY
Confidential

DECLASSIFIED E.O. 12065 SEC. 3(E) AND 3(D) OR (E) NNDA # 775 072

GENERAL HEADQUARTERS, FAR EAST COMMAND
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

INCOMING MESSAGE

FROM : CSGPO NR : W 89828 25 SEP 48 CONTINUED

increase proposed by you (ourads 97992 and 84744).
B Immediate benefit to Japanese economy by entry into North Pacific area this winter.
Department of Army inclined to accept smaller area in interests of of expediency with the understanding that the question involving entry into the TRUST territory will be reopened in 3 months, provided you consider this gives you the additional fishing area required for the time being.
To assist you in your study of this problem SANACC 392/1 was approved 23 Sep with Para 4 H of conclusion amended as follows:
"Except as provided in Para 4 A above, and subject to the right of the High Commissioner of the TRUST territory of the Pacific within established governmental policy to exclude any individual or group of individuals for reasons of security, and the obligation to promote the advancement of the inhabitants, the principle of non-discrimination on the basis of nationality shall be observed in the implementation of the foregoing principles and shall apply to all aspects of commercial fishing and ancillary operations and the regulation thereof in the TRUST territory."
Request your comments soonest and in any event not later than 4 Oct.

NO SIG

ACTION : DIPLOMATIC

INFORMATION : COMMANDER IN CHIEF, CHIEF OF STAFF, G-2, G-3, G-4, AG, ECON & SCI, NAT RESOURCES, COMNAVFE

88703 PRIORITY Confidential 3- TOO : 250031 Z
MCN : 84756

Paraphrase not required. Handle as correspondence of classification carried hereon per paragraphs 51*i* and 60*a*, AR 380–5.

Tokyo, Japan.

June 20, 1948.

Dear Mr. Prime Minister:

With reference to the memorandum left with me on June 16th concerning the Japanese food potential in the coming months, I am glad to be able to inform you that this problem which has been under consideration for some time indicates encouraging results.

A sharp reduction in cereal imports during the last three months has been precipitated by unforeseen developments in world food conditions. The Supreme Commander has been able to convince the appropriate authorities, however, that the recent downward revision of food shipping schedules would have a most serious impact upon Japan and as a consequence has received assurances of considerable improvement in the arrivals of subsistence supplies during the period July through October. A reasonable portion of the scheduled shipments has been promised in the form of flour, in order to minimize the processing delays mentioned in your letter.

Full consideration is being given to the importation of rice from South-east Asia to alleviate the shortage of that cereal in the staple ration during the critical period. Contracts already have been consummated for shipments under barter arrangements but since rice imports to Japan are under strict allocation by the International Emergency Food Committee, there is no assurance that the total quantity desired can be obtained from these sources.

The Supreme Commander is convinced that adequate food supplies will be made available to satisfy the requirements for supplementary rations prior to the Japanese harvest, provided that effective efforts are exercised to insure full collection and distribution of indigenous crops and to prevent diversion of essential foods into black market channels.

Very sincerely,

COURTNEY WHITNEY
Brigadier General, U. S. Army
Chief, Government Section

The Prime Minister,
Tokyo, Japan.

ECONOMIC AND SCIENTIFIC SECTION

19 June 1948

MEMORANDUM

SUBJECT: Summary of 1948 Food Situation

1. A comprehensive summary of the food situation and future outlook is provided in the following paragraphs.

2. Situation. The period June through October (preceding the rice harvest) is the most critical food period in Japan. The present food situation and rationing outlook are considerably better than at this time a year ago. Rationing delays are negligible while last year and the previous year delays from 15-25 days were common by the end of June.

3. Problems.

a. SCAP has been urging grain imports for Japan of 1.35 million tons for the Fiscal Year 1948. The Department of the Army had expected that this quantity would be available and advance shipping schedules transmitted to SCAP provided for this level of supply. However, the Department of Agriculture has refused to increase its original allocation of 1.15 million tons. The difference of 200,000 tons accounts for the shortfall pointed out in the Prime Minister's note.

b. This shortfall has required the substitution of sugar for grain at a rate of 5 days a month in May and June and about 4 days a month in the period July - October. This is an excessive amount of sugar and has in effect constituted a reduction in the ration of "true" staple foods.

c. Furthermore, the imported grain shortage has required the consumption of indigenous rice stocks at a faster rate than had been planned. Consequently, unless substantial quantities of Siamese rice can be secured quickly, the rice component of the staple ration will fall to about 4 days a month during August and September. Past experience has demonstrated that such a sharp reduction in rice distribution has serious inflationary and psychological consequences because of the importance which the Japanese attach to rice.

4. Recent Developments. Since it became known on 26 May that shipments to Japan would be held to 1.15 million tons, the following action has been taken by SCAP and the Department of the Army to alleviate the problems discussed above:

a. A major part of the cereal shipments to Japan for July and August have been set up as flour instead of wheat. This will eliminate the time required for processing and will facilitate efforts to avoid ration delays. -

b. The Department of the Army has effected an exchange of Argentine corn for 40,000 tons of rice from Egypt. This is the first time rice has been allocated to Japan by the IEFC. This rice will arrive in Japan during July and August and will be of considerable value in offsetting the undesirable consequences of the reduction in the rice component of the staple ration.

c. Grain allocations for the Fiscal Year 1949 will be pre-shipped at an accelerated rate to make available additional food during the shortage period.

d. A trade mission from Siam is expected in Tokyo shortly to work out an agreement for the exchange of Siamese rice for Japanese goods and machinery. Siam has an additional availability of rice which has not yet been declared to the IEFC. There is a reasonable possibility that the IEFC may allocate approximately 60,000 tons of this additional availability to Japan if a definite exchange agreement with Siam exists. Shipments of this rice could begin as soon as the IEFC made the allocation and would have a very salutary effect on the food situation and economic conditions generally.

5. Conclusions.

a. As a result of this corrective action the food outlook for the next several months is fairly bright. Sufficient quantities of food will be available to meet in full the prescribed staple rations provided that collections of the summer crops of wheat, barley and white potatoes meet expectations and that the latest shipping schedules are met. However, because of the tight stock position, transportation shortages, and limited milling facilities, temporary rationing delays will develop in some localities.

b. A theoretical deficit of 75,000 tons still exists, but special measures will be taken to expedite processing, transportation and rationing so as to absorb this deficit without serious ration delays.

4.

D
R
A
F
T

May 15, 1948.

Reurad 81749. Following the second whaling expedition, I personally talked with all of the Allied observers assigned to the trip and found all in complete agreement that the International conventions had been meticulously followed, with no unfavorable comment made by any of them.

My views as to the general advisability of these expeditions to secure for Japan an equitable share of the food resource are already on file with you and need no elaboration here. Suffice it to say that so long as the United States is required to cover the Japanese indigenous food deficit there would be no slightest justification for failure vigorously to pursue this food potential, with the view to minimizing insofar as possible the drain upon our own resources.

The challenge contained in the aide memoirs of the Australian and New Zealand governments to the authority of the Supreme Commander unilaterally to permit such expeditions is, however, not without legal basis. Such challenge is predicated upon jurisdictional grounds and injects a new factor in the situation not involved in the discussions surrounding the first two expeditions. In effect it holds that the matter is subject to Far Eastern Commission policy determination rather than decision within the scope of the Supreme Commander's executive authority.

The Far Eastern Commission having failed to act itself upon the matter in the delineation of policy, the United States is clearly authorised

under the Moscow Agreement to issue its own interim policy directive which might take the form of authorizing the third expedition or permitting the Supreme Commander in his discretion to do so. By the issuance of such an interim directive, establishing an incontrovertible legal basis for the Supreme Commander's action, much acrimonious discussion and International ill will would probably be avoided. For this reason I strongly recommend that the United States government promptly pursue this course.

MacARTHUR.

CM/mm

Letter from Colorado School of Mines.

Chief, Government Section	Lt. Col. H.G. Schenck Chief, Natural Resources Section	10 April 1948

1. For action deemed appropriate and direct reply.

Incls: Subj ltr
dtd 23 Mar 48.

----------C.W.----------

COPY

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Natural Resources Section

HGS/ra
17 September 1947

NR 341 (17 Sept 47)C

MEMORANDUM FOR: Record

SUBJECT: Notes on the Food Problem in Japan

1. The one problem which overshadows all others in Japan today is the food problem. It is essentially the same problem she faced before the war, the one which furnished Japanese militarists with the most powerful argument for aggression in the Far East: Too many people and too little land. There is this difference, that now both the safety valve of immigration and the sources of supply formerly provided by the conquered territories have been shut off.

2. Brief comparisons with the United States and the U. S. occupied zone of Germany furnish a graphic illustration of Japan's dilemma.

a. There are approximately 77 million Japanese, the equivalent of more than half the population of the United States. All the arable land of mountainous Japan is roughly equal to one-half the arable land in the State of Iowa, and only 4 percent of the United States total arable land.

b. The population of the United States occupied zone of Germany is approximately 20 million as compared to 77 million in Japan. The area of farm land in Japan is almost identical with that of the United States occupied zone of Germany, namely, 5 3/4 million hectares. Although the farmland area of Germany includes a little higher proportion of pasture and meadow than occurs in Japan, the topographic and soil possibilities for developing cultivated land has been more limited in Japan than in Germany. The Japanese have gone much further in exploiting steep slopes and unfavorable soil areas in order to obtain cultivated land than have the Germans. And the Japanese produce about 300 percent more food crops than do the Germans in the American zone.

3. The pressure of people on the land in Japan, now 3,000 per square mile of cultivated land, has been building up for decades. In twenty years, from 1920 to 1940, Japan's population jumped from 55 to 75 million, an increase of one million people annually. At the same time production of the six staple food crops remained almost constant during the first 15 years of this period and then increased only from an average of about 13 million tons in 1935 to the all time high of 14,617,000 tons in 1939. Production of the six staple crops in 1946 was 12,551,000 tons.

NR 341 (17 Sept 47)C

FOOD PRODUCTION AND COLLECTIONS IN JAPAN

	Production of six staple food crops 1/ (1,000 M.T. Rice equivalents)	Collections of six staple food crops (1,000 M.T. Rice equivalents
1936-40 (yearly average)	13,855.4	-
1941-45 (yearly average)	12,531.8	-
1945	9,931.0	4,787.5
1946	12,551.0	5,986.5
1947 (estimated)	12,732.0	6,182.3

1/ Rice, wheat, barley, naked barley, sweet potatoes, and white potatoes.

4. What this means in terms of food consumption by the Japanese is best illustrated by comparative caloric level figures. In 1920, when the population and production figures were more nearly balanced than at any other time in Japan's history, the average caloric level was at 2160. Since then it has dropped steadily, in sharp inverse ratio to population. In the peak production year of 1939, in spite of increased imports from their empire (3 million tons a year) the average consumption of the Japanese was less than 2,000 calories daily. Wartime conversion of farm lands to military and industrial purposes and the progressive loss of imports until complete stoppage before the end of hostilities brought caloric consumption down to starvation levels. At present, the average caloric consumption for the whole of Japan is 1878, or 85 percent of the Japanese normal. The diet in rural areas is estimated at 2028 calories, but in urban areas estimates place caloric consumption at 1600.

5. Since the Occupation, food imports from the United States at the rate of 1,600,000 tons a year, plus strict control over crop collections and distribution, have spelled the difference between widespread starvation and a minimum dietary level. That level is maintained by the official staple food ration which has been set at 1240 calories daily, well below normal Japanese requirements.

6. The prospect of increasing crop yields appreciably in the immediate future is a remote one. This is particularly true of cereal crops. Despite critical fertilizer shortages and primitive agricultural methods, the Japanese farmers, by intensive cultivation of 15 million acres of land, are able to obtain the highest rice yields in the world.

The average yield per acre of wheat in Japan in the years from 1935-39 was 28.8 bushels, while in the United States modern farming methods in the same period yielded 13.2 bushels per acre. The Japanese average for barley was 38.7 bushels as compared to the American average of 22.1 bushels per acre.

7. The prospect of increasing Japan's meager land resources on the other hand is brighter. The present land development program of the Japanese Government being carried out under SCAP supervision calls for the reclamation of one million more acres by 1950 and the ultimate improvement of 9 million acres of land now under cultivation by proper drainage, irrigation and flood protection. SCAP has already placed nearly 600,000 acres into cultivation. This program will eventually increase Japan's food production by as much as 25 percent. Even this increase, however, will not keep pace with the inevitable rise in population, (80 million by 1950) which in Japan is a patent illustration of the Malthusian law.

8. The inescapable conclusion is that all plans for improving or augmenting the 16 percent of Japan's land area which provides the Japanese people with 80 percent of their food needs, although vitally necessary, are at best palliatives. They do not now and will even less in the future, represent a solution of the food problem. The same verdict would apply to any attempt at influencing the birth rate, no matter how sweeping. Measures for controlling the rise in population are long-term, idealistic solutions which can have no bearing on the harsh realities of today.

9. Directly bearing on the food problem is the critical forestry situation.

a. The productive forest area totals about 53 million acres, of which approximately 7 million acres are now denuded. Reforestation is essential for the maintenance of a forest cover to protect steep slopes against erosion and to prevent flooding and silting of crop lands in the valleys.

b. As an example of floodwater damage to crop land, the July and August, 1947, storms damaged the crops on 145,373 acres in Akita Prefecture and 43,990 acres in Yamagata Prefecture. In Yamagata Prefecture it is estimated that one-sixth of the cultivated rice fields were so affected they will yield little or no rice this year with a resultant crop loss in excess of 500,000 bushels of rice.

NR 341 (17 Sept 47)C

10. Fishery production is of greater importance in Japan than in most countries.

a. In the Japanese diet, which is deficient in protein, fishery products have always constituted most of the animal protein. Since the war, with reduced imports of vegetable protein, marine products have provided about 25 percent of all protein in the diet.

b. Japanese fishery operations are now confined to a much smaller area than during the prewar period. Within the present area, however, fishing is intensive, producing an estimated 3.3 million metric tons in 1946. For comparison, the annual catch in the coastal waters, lakes and streams of the United States and Alaska is estimated to be 1.8 million metric tons.

c. To help provide more protein, Antarctic whaling expeditions have been authorized for 1946-1947 and 1947-1948.

JAPANESE ANTARCTIC WHALING

Year	Number of Factory Ships	Number of Whales	Production of Whale Oil a/ (metric tons)	Production of Other Products (Metric tons)
1934-35	1	213	2,006	28
1935-36	1	639	7,358	231
1936-37	2	1,965	26,089	320
1937-38	4	5,565	64,767	1,424
1938-39	6	7,605	76,579	10,648
1939-40	6	6,969	90,167	10,961
1940-41	6	9,857	104,118	10,084
1946-47	2	1,165	12,260	22,229 b/

a/ Includes sperm oil. Most of the whale oil prior to 1940-41 was exported.

b/ 1833 tons of this was meat.

11. The Japanese people then, are faced with an equation which does not balance: Their maximum effort at production does not equal self-sufficiency. Ingenuity and industry will not solve it. The gap between supply and need which was partially filled by imports from Korea, Formosa, Manchuria, Philippines, Burma, and other conquered territories, and which is ever widening, must continue to be filled by imports if starvation is to be avoided. Even at the present rate of importation from the United States, Japan has only little more than 50 percent of the imports she needs and had before the war. Directly and indirectly, the food shortage has been the cause of the decline of industrial efficiency which now varies from 1/3 to 1/2 that of prewar years.

12. The threat of starvation is the principal ingredient of political instability. In two years of effort SCAP has created the environment for democracy. But democracy cannot flourish among people living in the precarious borderland between insecurity and hunger.

Hubert G. Schrenk (sgd)

HUBERT G. SCHRENK (tpd)
Lt Col CE
Chief, Natural Resources Section

Copy furnished:
DCS

CONFIDENTIAL

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Natural Resources Section

KGS/ra
17 September 1947

NR 341 (17 Sept 47)G

MEMORANDUM FOR: Record

SUBJECT: Notes on the Food Problem in Japan

1. The one problem which overshadows all others in Japan today is the food problem. It is essentially the same problem she faced before the war, the one which furnished Japanese militarists with the most powerful argument for aggression in the Far East: Too many people and too little land. There is this difference, that now both the safety valve of immigration and the sources of supply formerly provided by the conquered territories have been shut off.

2. Brief comparisons with the United States and the U. S. occupied zone of Germany furnish a graphic illustration of Japan's dilemma.

a. There are approximately 77 million Japanese, the equivalent of more than half the population of the United States. All the arable land of mountainous Japan is roughly equal to one-half the arable land in the State of Iowa, and only 4 percent of the United States total arable land.

b. The population of the United States occupied zone of Germany is approximately 20 million as compared to 77 million in Japan. The area of farm land in Japan is almost identical with that of the United States occupied zone of Germany, namely, 5 3/4 million hectares. Although the farmland area of Germany includes a little higher proportion of pasture and meadow than occurs in Japan, the topographic and soil possibilities for developing cultivated land has been more limited in Japan than in Germany. The Japanese have gone much further in exploiting steep slopes and unfavorable soil areas in order to obtain cultivated land than have the Germans. And the Japanese produce about 300 percent more food crops than do the Germans in the American zone.

3. The pressure of people on the land in Japan, now 3,000 per square mile of cultivated land, has been building up for decades. In twenty years, from 1920 to 1940, Japan's population jumped from 55 to 75 million, an increase of one million people annually. At the same time production of the six staple food crops remained almost constant during the first 15 years of this period and then increased only from an average of about 13 million tons in 1935 to the all time high of 14,617,000 tons in 1939. Production of the six staple crops in 1946 was 12,551,000 tons.

MR 341 (17 Sept 47)C

FOOD PRODUCTION AND COLLECTIONS IN JAPAN

	Production of six staple food crops 1/ (1,000 M.T. Rice equivalents)	Collections of six staple food crops (1,000 M.T. Rice equivalents
1936-40 (yearly average)	13,855.4	-
1941-45 (yearly average)	12,531.8	-
1945	9,931.0	4,787.5
1946	12,551.0	5,986.5
1947 (estimated)	12,732.0	6,182.3

1/ Rice, wheat, barley, naked barley, sweet potatoes, and white potatoes.

4. What this means in terms of food consumption by the Japanese is best illustrated by comparative caloric level figures. In 1920, when the population and production figures were more nearly balanced than at any other time in Japan's history, the average caloric level was at 2160. Since then it has dropped steadily, in sharp inverse ratio to population. In the peak production year of 1939, in spite of increased imports from their empire (3 million tons a year) the average consumption of the Japanese was less than 2,000 calories daily. Wartime conversion of farm lands to military and industrial purposes and the progressive loss of imports until complete stoppage before the end of hostilities brought caloric consumption down to starvation levels. At present, the average caloric consumption for the whole of Japan is 1878, or 85 percent of the Japanese normal. The diet in rural areas is estimated at 2028 calories, but in urban areas estimates place caloric consumption at 1600.

5. Since the Occupation, food imports from the United States at the rate of 1,600,000 tons a year, plus strict control over crop collections and distribution, have spelled the difference between widespread starvation and a minimum dietary level. That level is maintained by the official staple food ration which has been set at 1240 calories daily, well below normal Japanese requirements.

6. The prospect of increasing crop yields appreciably in the immediate future is a remote one. This is particularly true of cereal crops. Despite critical fertilizer shortages and primitive agricultural methods, the Japanese farmers, by intensive cultivation of 15 million acres of land, are able to obtain the highest rice yields in the world.

The average yield per acre of wheat in Japan in the years from 1935-39 was 28.8 bushels, while in the United States modern farming methods in the same period yielded 13.2 bushels per acre. The Japanese average for barley was 38.7 bushels as compared to the American average of 22.1 bushels per acre.

7. The prospect of increasing Japan's meager land resources on the other hand is brighter. The present land development program of the Japanese Government being carried out under SCAP supervision calls for the reclamation of one million more acres by 1950 and the ultimate improvement of 9 million acres of land now under cultivation by proper drainage, irrigation and flood protection. SCAP has already placed nearly 600,000 acres into cultivation. This program will eventually increase Japan's food production by as much as 25 percent. Even this increase, however, will not keep pace with the inevitable rise in population, (80 million by 1950) which in Japan is a patent illustration of the Malthusian law.

8. The inescapable conclusion is that all plans for improving or augmenting the 16 percent of Japan's land area which provides the Japanese people with 80 percent of their food needs, although vitally necessary, are at best palliatives. They do not now and will even less in the future, represent a solution of the food problem. The same verdict would apply to any attempt at influencing the birth rate, no matter how sweeping. Measures for controlling the rise in population are long-term, idealistic solutions which can have no bearing on the harsh realities of today.

9. Directly bearing on the food problem is the critical forestry situation.

a. The productive forest area totals about 53 million acres, of which approximately 7 million acres are now denuded. Reforestation is essential for the maintenance of a forest cover to protect steep slopes against erosion and to prevent flooding and silting of crop lands in the valleys.

b. As an example of floodwater damage to crop land, the July and August, 1947, storms damaged the crops on 145,373 acres in Akita Prefecture and 43,990 acres in Yamagata Prefecture. In Yamagata Prefecture it is estimated that one-sixth of the cultivated rice fields were so affected they will yield little or no rice this year with a resultant crop loss in excess of 500,000 bushels of rice.

10. Fishery production is of greater importance in Japan than in most countries.

a. In the Japanese diet, which is deficient in protein, fishery products have always constituted most of the animal protein. Since the war, with reduced imports of vegetable protein, marine products have provided about 25 percent of all protein in the diet.

b. Japanese fishery operations are now confined to a much smaller area than during the prewar period. Within the present area, however, fishing is intensive, producing an estimated 3.3 million metric tons in 1946. For comparison, the annual catch in the coastal waters, lakes and streams of the United States and Alaska is estimated to be 1.8 million metric tons.

c. To help provide more protein, Antarctic whaling expeditions have been authorized for 1946-1947 and 1947-1948.

JAPANESE ANTARCTIC WHALING

Year	Number of Factory Ships	Number of Whales	Production of Whale Oil a/ (metric tons)	Production of Other Products (Metric tons)
1934-35	1	213	2,006	28
1935-36	1	639	7,358	231
1936-37	2	1,965	26,089	320
1937-38	4	5,565	64,767	1,424
1938-39	6	7,605	76,579	10,648
1939-40	6	6,969	90,167	10,961
1940-41	6	9,857	104,118	10,084
1946-47	2	1,165	12,260	22,229 b/

a/ Includes sperm oil. Most of the whale oil prior to 1940-41 was exported.

b/ 1833 tons of this was meat.

NR 241 (17 Sept 47)G

11. The Japanese people then, are faced with an equation which does not balance: Their maximum effort at production does not equal self-sufficiency. Ingenuity and industry will not solve it. The gap between supply and need which was partially filled by imports from Korea, Formosa, Manchuria, Philippines, Burma, and other conquered territories, and which is ever widening, must continue to be filled by imports if starvation is to be avoided. Even at the present rate of importation from the United States, Japan has only little more than 50 percent of the imports she needs and had before the war. Directly and indirectly, the food shortage has been the cause of the decline of industrial efficiency which now varies from 1/3 to 1/2 that of prewar years.

12. The threat of starvation is the principal ingredient of political instability. In two years of effort SCAP has created the environment for democracy. But democracy cannot flourish among people living in the precarious borderland between insecurity and hunger.

Hubert G. Schrenk (sgd)

HUBERT G. SCHRENK (tpd)
Lt Col CE
Chief, Natural Resources Section

Copy furnished:
DCS

SECRET

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Natural Resources Section

NGS/rm
17 September 1947

NR 341 (17 Sept 47)G

MEMORANDUM FOR: Record

SUBJECT: Notes on the Food Problem in Japan

1. The one problem which overshadows all others in Japan today is the food problem. It is essentially the same problem she faced before the war, the one which furnished Japanese militarists with the most powerful argument for aggression in the Far East: Too many people and too little land. There is this difference, that now both the safety valve of immigration and the sources of supply formerly provided by the conquered territories have been shut off.

2. Brief comparisons with the United States and the U. S. occupied zone of Germany furnish a graphic illustration of Japan's dilemma.

a. There are approximately 77 million Japanese, the equivalent of more than half the population of the United States. All the arable land of mountainous Japan is roughly equal to one-half the arable land in the State of Iowa, and only 4 percent of the United States total arable land.

b. The population of the United States occupied zone of Germany is approximately 20 million as compared to 77 million in Japan. The area of farm land in Japan is almost identical with that of the United States occupied zone of Germany, namely, 5 3/4 million hectares. Although the farmland area of Germany includes a little higher proportion of pasture and meadow than occurs in Japan, the topographic and soil possibilities for developing cultivated land has been more limited in Japan than in Germany. The Japanese have gone much further in exploiting steep slopes and unfavorable soil areas in order to obtain cultivated land than have the Germans. And the Japanese produce about 300 percent more food crops than do the Germans in the American zone.

3. The pressure of people on the land in Japan, now 3,000 per square mile of cultivated land, has been building up for decades. In twenty years, from 1920 to 1940, Japan's population jumped from 55 to 75 million, an increase of one million people annually. At the same time production of the six staple food crops remained almost constant during the first 15 years of this period and then increased only from an average of about 13 million tons in 1935 to the all time high of 14,617,000 tons in 1939. Production of the six staple crops in 1946 was 12,5[illegible].000 tons.

FOOD PRODUCTION AND COLLECTIONS IN JAPAN

	Production of six staple food crops 1/ (1,000 M.T. Rice equivalents)	Collections of six staple food crops (1,000 M.T. Rice equivalents
1936-40 (yearly average)	13,855.4	-
1941-45 (yearly average)	12,531.8	-
1945	9,931.0	4,787.5
1946	12,551.0	5,986.5
1947 (estimated)	12,732.0	6,182.3

1/ Rice, wheat, barley, naked barley, sweet potatoes, and white potatoes.

4. What this means in terms of food consumption by the Japanese is best illustrated by comparative caloric level figures. In 1920, when the population and production figures were more nearly balanced than at any other time in Japan's history, the average caloric level was at 2160. Since then it has dropped steadily, in sharp inverse ratio to population. In the peak production year of 1939, in spite of increased imports from their empire (3 million tons a year) the average consumption of the Japanese was less than 2,000 calories daily. Wartime conversion of farm lands to military and industrial purposes and the progressive loss of imports until complete stoppage before the end of hostilities brought caloric consumption down to starvation levels. At present, the average caloric consumption for the whole of Japan is 1578, or 85 percent of the Japanese normal. The diet in rural areas is estimated at 2028 calories, but in urban areas estimates place caloric consumption at 1600.

5. Since the Occupation, food imports from the United States at the rate of 1,600,000 tons a year, plus strict control over crop collections and distribution, have spelled the difference between widespread starvation and a minimum dietary level. That level is maintained by the official staple food ration which has been set at 1240 calories daily, well below normal Japanese requirements.

6. The prospect of increasing crop yields appreciably in the immediate future is a remote one. This is particularly true of cereal crops. Despite critical fertilizer shortages and primitive agricultural methods, the Japanese farmers, by intensive cultivation of 15 million acres of land, are able to obtain the highest rice yields in the world.

NR 341 (17 Sept 47)C

The average yield per acre of wheat in Japan in the years from 1935-39 was 28.8 bushels, while in the United States modern farming methods in the same period yielded 13.2 bushels per acre. The Japanese average for barley was 33.7 bushels as compared to the American average of 22.1 bushels per acre.

7. The prospect of increasing Japan's meager land resources on the other hand is brighter. The present land development program of the Japanese Government being carried out under SCAP supervision calls for the reclamation of one million more acres by 1950 and the ultimate improvement of 9 million acres of land now under cultivation by proper drainage, irrigation and flood protection. SCAP has already placed nearly 600,000 acres into cultivation. This program will eventually increase Japan's food production by as much as 25 percent. Even this increase, however, will not keep pace with the inevitable rise in population, (80 million by 1950) which in Japan is a patent illustration of the Malthusian law.

8. The inescapable conclusion is that all plans for improving or augmenting the 16 percent of Japan's land area which provides the Japanese people with 80 percent of their food needs, although vitally necessary, are at best palliatives. They do not now and will even less in the future, represent a solution of the food problem. The same verdict would apply to any attempt at influencing the birth rate, no matter how sweeping. Measures for controlling the rise in population are long-term, idealistic solutions which can have no bearing on the harsh realities of today.

9. Directly bearing on the food problem is the critical forestry situation.

a. The productive forest area totals about 53 million acres, of which approximately 7 million acres are now denuded. Reforestation is essential for the maintenance of a forest cover to protect steep slopes against erosion and to prevent flooding and silting of crop lands in the valleys.

b. As an example of floodwater damage to crop land, the July and August, 1947, storms damaged the crops on 145,373 acres in Akita Prefecture and 43,990 acres in Yamagata Prefecture. In Yamagata Prefecture it is estimated that one-sixth of the cultivated rice fields were so affected they will yield little or no rice this year with a resultant crop loss in excess of 500,000 bushels of rice.

10. Fishery production is of greater importance in Japan than in most countries.

a. In the Japanese diet, which is deficient in protein, fishery products have always constituted most of the animal protein. Since the war, with reduced imports of vegetable protein, marine products have provided about 25 percent of all protein in the diet.

b. Japanese fishery operations are now confined to a much smaller area than during the prewar period. Within the present area, however, fishing is intensive, producing an estimated 3.3 million metric tons in 1946. For comparison, the annual catch in the coastal waters, lakes and streams of the United States and Alaska is estimated to be 1.8 million metric tons.

c. To help provide more protein, Antarctic whaling expeditions have been authorized for 1946-1947 and 1947-1948.

JAPANESE ANTARCTIC WHALING

Year	Number of Factory Ships	Number of Whales	Production of Whale Oil a/ (metric tons)	Production of Other Products (Metric tons)
1934-35	1	213	2,006	28
1935-36	1	639	7,358	231
1936-37	2	1,965	26,089	320
1937-38	4	5,565	64,767	1,424
1938-39	6	7,605	76,579	10,648
1939-40	6	6,969	90,167	10,961
1940-41	6	9,857	104,118	10,084
1946-47	2	1,165	12,260	22,229 b/

a/ Includes sperm oil. Most of the whale oil prior to 1940-41 was exported.

b/ 1833 tons of this was meat.

11. The Japanese people then, are faced with an equation which does not balance: Their maximum effort at production does not equal self-sufficiency. Ingenuity and industry will not solve it. The gap between supply and need which was partially filled by imports from Korea, Formosa, Manchuria, Philippines, Burma, and other conquered territories, and which is ever widening, must continue to be filled by imports if starvation is to be avoided. Even at the present rate of importation from the United States, Japan has only little more than 50 percent of the imports she needs and had before the war. Directly and indirectly, the food shortage has been the cause of the decline of industrial efficiency which now varies from 1/3 to 1/2 that of prewar years.

12. The threat of starvation is the principal ingredient of political instability. In two years of effort SCAP has created the environment for democracy. But democracy cannot flourish among people living in the precarious borderland between insecurity and hunger.

Hubert G. Schrenk (sgd)

HUBERT G. SCHRENK (tpd)
Lt Col CE
Chief, Natural Resources Section

Copy furnished:
DCS

SECRET

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Natural Resources Section

NR 341 (17 Sept 47)G

HGS/rs
17 September 1947

MEMORANDUM FOR: Record

SUBJECT: Notes on the Food Problem in Japan

1. The one problem which overshadows all others in Japan today is the food problem. It is essentially the same problem she faced before the war, the one which furnished Japanese militarists with the most powerful argument for aggression in the Far East: Too many people and too little land. There is this difference, that now both the safety valve of immigration and the sources of supply formerly provided by the conquered territories have been shut off.

2. Brief comparisons with the United States and the U. S. occupied zone of Germany furnish a graphic illustration of Japan's dilemma.

a. There are approximately 77 million Japanese, the equivalent of more than half the population of the United States. All the arable land of mountainous Japan is roughly equal to one-half the arable land in the State of Iowa, and only 4 percent of the United States total arable land.

b. The population of the United States occupied zone of Germany is approximately 20 million as compared to 77 million in Japan. The area of farm land in Japan is almost identical with that of the United States occupied zone of Germany, namely, 5 3/4 million hectares. Although the farmland area of Germany includes a little higher proportion of pasture and meadow than occurs in Japan, the topographic and soil possibilities for developing cultivated land has been more limited in Japan than in Germany. The Japanese have gone much further in exploiting steep slopes and unfavorable soil areas in order to obtain cultivated land than have the Germans. And the Japanese produce about 300 percent more food crops than do the Germans in the American zone.

3. The pressure of people on the land in Japan, now 3,000 per square mile of cultivated land, has been building up for decades. In twenty years, from 1920 to 1940, Japan's population jumped from 55 to 75 million, an increase of one million people annually. At the same time production of the six staple food crops remained almost constant during the first 15 years of this period and then increased only from an average of about 13 million tons in 1935 to the all time high of 14,617,000 tons in 1939. Production of the six staple crops in 1946 was 12,551,000 tons.

FOOD PRODUCTION AND COLLECTIONS IN JAPAN

	Production of six staple food crops 1/ (1,000 M.T. Rice equivalents)	Collections of six staple food crops (1,000 M.T. Rice equivalents
1936-40 (yearly average)	13,855.4	-
1941-45 (yearly average)	12,531.8	-
1945	9,931.0	4,787.5
1946	12,551.0	5,986.5
1947 (estimated)	12,732.0	6,182.3

1/ Rice, wheat, barley, naked barley, sweet potatoes, and white potatoes.

4. What this means in terms of food consumption by the Japanese is best illustrated by comparative caloric level figures. In 1920, when the population and production figures were more nearly balanced than at any other time in Japan's history, the average caloric level was at 2160. Since then it has dropped steadily, in sharp inverse ratio to population. In the peak production year of 1939, in spite of increased imports from their empire (3 million tons a year) the average consumption of the Japanese was less than 2,000 calories daily. Wartime conversion of farm lands to military and industrial purposes and the progressive loss of imports until complete stoppage before the end of hostilities brought caloric consumption down to starvation levels. At present, the average caloric consumption for the whole of Japan is 1878, or 85 percent of the Japanese normal. The diet in rural areas is estimated at 2028 calories, but in urban areas estimates place caloric consumption at 1600.

5. Since the Occupation, food imports from the United States at the rate of 1,600,000 tons a year, plus strict control over crop collections and distribution, have spelled the difference between widespread starvation and a minimum dietary level. That level is maintained by the official staple food ration which has been set at 1240 calories daily, well below normal Japanese requirements.

6. The prospect of increasing crop yields appreciably in the immediate future is a remote one. This is particularly true of cereal crops. Despite critical fertilizer shortages and primitive agricultural methods, the Japanese farmers, by intensive cultivation of 15 million acres of land, are able to obtain the highest rice yields in the world.

NR 341 (17 Sept 47)C

The average yield per acre of wheat in Japan in the years from 1935-39 was 28.8 bushels, while in the United States modern farming methods in the same period yielded 13.2 bushels per acre. The Japanese average for barley was 38.7 bushels as compared to the American average of 22.1 bushels per acre.

7. The prospect of increasing Japan's meager land resources on the other hand is brighter. The present land development program of the Japanese Government being carried out under SCAP supervision calls for the reclamation of one million more acres by 1950 and the ultimate improvement of 9 million acres of land now under cultivation by proper drainage, irrigation and flood protection. SCAP has already placed nearly 600,000 acres into cultivation. This program will eventually increase Japan's food production by as much as 25 percent. Even this increase, however, will not keep pace with the inevitable rise in population, (80 million by 1950) which in Japan is a patent illustration of the Malthusian law.

8. The inescapable conclusion is that all plans for improving or augmenting the 16 percent of Japan's land area which provides the Japanese people with 80 percent of their food needs, although vitally necessary, are at best palliatives. They do not now and will even less in the future, represent a solution of the food problem. The same verdict would apply to any attempt at influencing the birth rate, no matter how sweeping. Measures for controlling the rise in population are long-term, idealistic solutions which can have no bearing on the harsh realities of today.

9. Directly bearing on the food problem is the critical forestry situation.

a. The productive forest area totals about 53 million acres, of which approximately 7 million acres are now denuded. Reforestation is essential for the maintenance of a forest cover to protect steep slopes against erosion and to prevent flooding and silting of crop lands in the valleys.

b. As an example of floodwater damage to crop land, the July and August, 1947, storms damaged the crops on 145,373 acres in Akita Prefecture and 43,990 acres in Yamagata Prefecture. In Yamagata Prefecture it is estimated that one-sixth of the cultivated rice fields were so affected they will yield little or no rice this year with a resultant crop loss in excess of 500,000 bushels of rice.

10. Fishery production is of greater importance in Japan than in most countries.

a. In the Japanese diet, which is deficient in protein, fishery products have always constituted most of the animal protein. Since the war, with reduced imports of vegetable protein, marine products have provided about 25 percent of all protein in the diet.

b. Japanese fishery operations are now confined to a much smaller area than during the prewar period. Within the present area, however, fishing is intensive, producing an estimated 3.3 million metric tons in 1946. For comparison, the annual catch in the coastal waters, lakes and streams of the United States and Alaska is estimated to be 1.8 million metric tons.

c. To help provide more protein, Antarctic whaling expeditions have been authorized for 1946-1947 and 1947-1948.

JAPANESE ANTARCTIC WHALING

Year	Number of Factory Ships	Number of Whales	Production of Whale Oil a/ (metric tons)	Production of Other Products (Metric tons)
1934-35	1	213	2,006	28
1935-36	1	639	7,358	231
1936-37	2	1,965	26,089	320
1937-38	4	5,565	64,767	1,424
1938-39	6	7,605	76,579	10,648
1939-40	6	6,969	90,167	10,961
1940-41	6	9,857	104,118	10,084
1946-47	2	1,165	12,260	22,229 b/

a/ Includes sperm oil. Most of the whale oil prior to 1940-41 was exported.

b/ 1833 tons of this was meat.

11. The Japanese people then, are faced with an equation which does not balance: Their maximum effort at production does not equal self-sufficiency. Ingenuity and industry will not solve it. The gap between supply and need which was partially filled by imports from Korea, Formosa, Manchuria, Philippines, Burma, and other conquered territories, and which is ever widening, must continue to be filled by imports if starvation is to be avoided. Even at the present rate of importation from the United States, Japan has only little more than 50 percent of the imports she needs and had before the war. Directly and indirectly, the food shortage has been the cause of the decline of industrial efficiency which now varies from 1/3 to 1/2 that of prewar years.

12. The threat of starvation is the principal ingredient of political instability. In two years of effort SCAP has created the environment for democracy. But democracy cannot flourish among people living in the precarious borderland between insecurity and hunger.

Hubert G. Schrenk (sgd)

HUBERT G. SCHRENK (tpd)
Lt Col GE
Chief, Natural Resources Section

Copy furnished:
DCS

DECLASSIFIED E.O. 12958 SEC. 3(E) AND 3(B) OR (E) NNDB # 775 072

DRAFT HANDED TO COL. SCHENCK.

RESTRICTED
COPY

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Natural Resources Section

HGS/JHB/ra
19 September 1947

NR 302 (19 Sept 47)A

MEMORANDUM FOR: Record

SUBJECT: Initial Conference of Governors to Determine Collection Quotas for 1947 Crop of Rice and Sweet Potatoes

1. A conference of prefectural governors from prefectures in Northern Japan was held at the Prime Minister's residence beginning at 1000, 19 September. The governors were addressed by Mr. Boulware, NR, GHQ, SCAP; Prime Minister Katayama; Minister of Agriculture Hirano; Director of Economic Stabilization Board Wada; and Mr. S. Katayanagi, Head of the Staple Foods Administration Bureau, Ministry of Agriculture and Forestry.

2. Mr. Boulware informed the governors of the critical world food situation and of the necessity of securing maximum utilization of indigenous food.

3. Mr. Hirano informed the governors that the Ministry of Agriculture and Forestry expected to collect 31,600,000 koku (4,740,000 M.T.) of rice and rice substitutes and 800,000,000 kan of sweet potatoes (3,000,000 M.T.).

4. The Ministry of Agriculture and Forestry had earlier reported to NR that the rice quota would not be reduced below 30,550,000 koku (4,582,000 M.T.). Personnel of this Section believe that the quota should not be less than 31,300,000 koku (4,715,000 M.T.). The Ministry of Agriculture and Forestry has reported to NR that the quota of sweet potatoes will not be less than 577,000,000 koku (2,164,000 tons).

5. The Ministry of Agriculture and Forestry uses the techniques described above in all quota conferences with governors. A quota higher than the one to be used is given to the prefectural governors and, by a bargaining process, the final quota is decided upon. Ministry officials have assured personnel of NR that the initial figures will not be reduced at the whim of the governors but will be reduced only when irrefutable evidence that production is at a lower level than that determined by the Ministry.

6. The rice and rice substitute quota of 4,582,000 M.T. submitted by the Ministry is 6,000 M.T. less than the goal of 4,588,000 M.T. submitted in 1946. A quota acceptable to NR of 4,715,000 M.T. is 127,000 M.T. above the goal of 1946.

/s/ J.H.BOULWARE
Scientific Consultant
Agriculture Division

COPY
RESTRICTED

DECLASSIFIED E.O. 11,652 SEC. 3(E) AND 3(D) OR (E) NNDG # 773 072

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Natural Resources Section

NR 351 (29 Sep 47)A

HCS/RHD/JHB/mlo
29 September 1947

MEMORANDUM FOR: Record

SUBJECT: Statement on Rice Collections Made to Mr. R. Hirano, Minister of Agriculture and Forestry, This Date

Mr. Hirano:

1. The subject of this conference is the establishment of quotas for the 1947 food crops. The instructions being given at this time have the approval of General Fox, Deputy Chief of Staff, General Whitney, Chief of the Government Section, and General Marquat, Chief of ESS. We are all giving serious thought to the excessive reductions being made from the original quotas for rice and rice substitutes proposed by the Ministry and to the slow progress being made in quota allocations.

2. Prior to the governors' conference, your Ministry reported to Natural Resources Section that a rice and rice substitute quota of 31,600,000 koku would be announced and that the final quota assigned to prefectures would not be less than 30,550,000 koku. Mr. Sasayama informed Messrs. Davis and Boulware that the initial quota for prefectures, based on a national quota of 31,600,000 koku, would not be reduced unless the prefecture concerned presented positive evidence that the quota fixed by the Ministry was too high.

3. On 26 September, the Staple Foods Bureau reported to Mr. Sonley that quotas had been assigned to eight prefectures: Fukui, Ishikawa, Toyama, Aomori, Yamagata, Fukushima, Gifu, and Kyoto. The original quotas set by the Ministry for these prefectures totaled 6,138,300 koku. The quota decided at the conferences was 5,484,200 koku or a decrease of 654,100 koku. This decrease is 10 per cent of the initial quota. If this rate continues, the national quota will approximate 28,440,000 koku. Further, this makes no allowances for additional reductions that may be necessary because of damage incurred during the recent flood.

4. At a conference of prefectural governors held in Tokyo on 27 September, you announced that the governors of Niigata, Nagano, Shiga, and Aichi Prefectures had failed to accept rice and rice substitute quotas proposed by the Ministry of Agriculture and Forestry and had returned to their respective prefectures for consultation with the local assemblies. You further announced that quotas had been officially established for Fukui, Ishikawa, Toyama, Yamagata, Aomori, Fukushima, Gifu, Kyoto, Hyogo, and Shizuoka Prefectures.

5. Despite the statements made to governors' conferences and to the

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

NR 351 (29 Sep 47)A

press by SCAP representatives, you and the governors still must not realize that a pre-requisite to food allocations by the International Emergency Food Commission is that each deficit country receiving food allocations must do its best to feed its people. Japan is not doing her best to feed herself if quotas are to be established by prolonged conferences in which the most obstinate party gains the deciding point: a reduced collection quota. A continued reduction of quotas, such as has occurred in the early stages of governors' conferences, might well result in adverse opinion throughout the world and subsequent reduced food allocations for Japan.

6. You will, therefore, Mr. Minister, take the necessary action to insure that a collection quota of not less than 30,550,000 koku for rice and rice substitutes is established by 7 October.

HUBERT G. SCHENCK
Lt Col CE
Chief, Natural Resources Section

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

FAR EAST COMMAND
GENERAL HEADQUARTERS, ~~U. S. ARMY FORCES, PACIFIC~~
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

VWD
FTF

INCOMING MESSAGE

Secret
PRIORITY

5 Jul 47

FROM : WAR

TO : CINCFE

NR : W 81470

Since notification to you to proceed with 2d Antarctic whaling expedition, following important diplomatic developments have taken place:

On 17 Jun British note to Department requesting expedition be withheld or cancelled. Norwegians also protested action.

Australians presented note 23 Jun proposing that a factory ship and chasers should be made available to Australia immediately for use in coming whaling season, ships to be manned by Australians and operated more efficiently than by Japanese, thus increased amount of oil available. "The allocation of the food products to relieve the Japanese food shortage would be entirely a matter for determination by the Supreme Commander, and the oil would be allocated as at present by an international food and emergency committee, thus assuring supplies at least as adequate as those which would be obtained from the proposed Japanese expedition. The Australian Govt is prepared to consider methods of payment which would avoid the cost being a charge on the US revenue. If a separate Australian expedition is not considered feasible or desirable, Australia is prepared to conduct the expedition in association with our allies, in particular the United Kingdom and Norway."

24262

PRIORITY
Secret
-1-

"Paraphrase not required. Handle as SECRET correspondence per para 51 i and 60 a (4) AR 380-5."

Handling and transmission of literal plain text of this message as correspondence of the same classification has been authorized by the War Department in accordance with the provisions of paragraphs 16-C, 18-E, 53-A, 53-D (1) (2) (3), and 60-A (1) (2) (3) (4), AR 380-5, 6 March 1946.

COPY NO. 13

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

FAR EAST COMMAND
GENERAL HEADQUARTERS, ~~U. S. ARMY FORCES, PACIFIC~~
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

INCOMING MESSAGE

Secret
PRIORITY

FROM : WAR, NR: W 81470, 5 JULY 1947, CONTINUED

To the present time Department has been prepared to reject Australian proposal.

On 25 Jun New Zealand Minister presented note to the Under Secretary sponsoring Australian proposal.

On 26 Jun Ambassador Makin presented FEC strong appeal that British paper prohibiting Antarctic whaling be approved. Matter was postponed in Commission.

On 1 Jul Counselor British Embassy presented note to Under Secretary requesting orders for expedition be countermanded and be referred to FEC for decision.

In all discussions with allies on matter, US maintained that 2d expedition in interest of SCAP and US principle of the development of peaceful industries in Japan to assist in Japanese economic self-sufficiency. Attitude of our allies now developed beyond status of clear thinking and it is apparent to this government that the Australian Govt and people have developed strong emotional reaction against a 2d expedition taking place, as clearly indicated in note presented by Australian Ambassador to Secretary of State on 3 Jul and exemplified by following extracts of Ambassador's statement:

"With the memory of the Japanese invasion of New Guinea and Timor, and the destruction of our northern port of Darwin fresh in mind, the Australian people can only regard the presence of Japanese ships whether whalers or pearlers or otherwise in the seas adjacent to Australia with the deepest resentment and apprehension.

A second visit of Japanese ships and Japanese crews

"Paraphrase not required. Handle as SECRET correspondence per para 51 1 and 60 a (4) AR 380-5."

Handling and transmission of literal plain text of this message as correspondence of the same classification has been authorized by the War Department in accordance with the provisions of paragraphs 16-C, 18-E, 53-A, 53-D (1) (2) (3), and 60-A (1) (2) (3) (4), AR 380-5, 6 March 1946.

COPY NO.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

FAR EAST COMMAND
GENERAL HEADQUARTERS, ~~U. S. ARMY FORCES, PACIFIC~~
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

INCOMING MESSAGE

Secret

PRIORITY

FROM : WAR, NR: W 81470, 5 JULY 1947 CONTINUED

following on that of last year will give great encouragement to the Japanese in a direction which we can only regard as most undesirable.

I would emphasize our concern that an enemy country should be considered in this way contrary to the interests of an ally. We have suffered the treachery of this enemy as you have, and none understand that treachery better than the United States.

My government hopes that the Government of the United States will be prepared to review this matter which from our point of view is one of major importance and which has deeply stirred the whole Australian people."

Without sacrificing our basic principle that Japan must have a place in the world economy and be permitted to pursue its peaceful industries, and in view of strong feelings aroused in Australia, do you feel the Australian proposal as quoted in paragraph 2 above has any merit?

As alternative compromise would appreciate your comments on possibility of SCAP-sponsored expedition being reduced to single factory ship and chasers and remainder of equipment being turned over to Australians to operate, again without loss to American taxpayer.

NO SIG

ACTION: NAT RESOURCES

INFORMATION: COMMANDER IN CHIEF, CHIEF OF STAFF, G-4, AG, GOVT, ECON & SCI, DIPLOMATIC

NOTE: Duty Officer Signal MessagenCenter states this message delayed due to service.

TOO : 040032 Z
MCN : 56851

24262

PRIORITY
Secret
-3-

"Paraphrase not required. Handle as SECRET correspondence per para 51 i and 60 a (4) AR 380-5."

Handling and transmission of literal plain text of this message as correspondence of the same classification has been authorized by the War Department in accordance with the provisions of paragraphs 16-C, 18-E, 53-A, 53-D (1) (2) (3), and 60-A (1) (2) (3) (4), AR 380-5, 6 March 1946.

COPY NO.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

5 July 1947.

MEMO TO THE C-IN-C:

From the enclosed excerpts it will be seen that the movement against permitting the second whaling expedition is directly violative of the principles enunciated in the Atlantic Charter, the Declaration of the United Nations, the Potsdam Declaration, and the Far Eastern Commission Basic Post-Surrender Policy for Japan, to all of which the protesting nations have subscribed.

C.W.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

In his message on the state of the Union, President Roosevelt on January 6, 1945 called attention to the fact that the principles of the Atlantic Charter had been incorporated into the Declaration by United Nations of January 1, 1942, and stated:

"And we shall not hesitate to use our influence -- and to use it now -- to secure so far as is humanly possible the fulfillment of the principles of the Atlantic Charter. We have not shrunk from the military responsibilities brought on by this war. We cannot and will not shrink from the political responsibilities which follow in the wake of battle."

- - - - - - -

DECLARATION BY UNITED NATIONS

January 1, 1942.

A JOINT DECLARATION BY THE UNITED STATES OF AMERICA, THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, THE UNION OF SOVIET SOCIALIST REPUBLICS, CHINA, AUSTRALIA, BELGIUM, CANADA, COSTA RICA, CUBA, CZECHOSLOVAKIA, DOMINICAN REPUBLIC, EL SALVADOR, GREECE, GUATEMALA, HAITI, HONDURAS, INDIA, LUXEMBOURG, NETHERLANDS, NEW ZEALAND, NICARAGUA, NORWAY, PANAMA, POLAND, SOUTH AFRICA, YUGOSLAVIA.

The Governments signatory hereto,

Having subscribed to a common program of purposes and principles embodied in the Joint Declaration of the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland dated August 14, 1941, known as the Atlantic Charter.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

POTSDAM DECLARATION - (Extract):

"(11) Japan shall be permitted to maintain such industries as will sustain her economy and permit the execution of just reparations in kind, but not those which would enable her to re-arm for war. To this end, access to, as distinguished from control of, raw materials shall be permitted. Eventual Japanese participation in world trade relations shall be permitted."

This principle reaffirmed by Far Eastern Commission in recent basic post-surrender policy for Japan:

"1. 2. d. Japan shall be permitted to maintain such industries as will sustain her economy and permit the exaction of just reparations in kind, but not those which would enable her to rearm for war. To this end access to, as distinguished from control of, raw materials should be permitted. Eventual Japanese participation in world trade relations will be permitted.

- - - - - - - - - -

The foregoing follows the fourth basic principle laid down in the Atlantic Charter as follows:

"They will endeavor, with due respect for their existing obligations, to further the enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity."

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

File CW.

URGENT - SECRET

DS/GA LEE/3ev

5 JULY 1947.

SECRET

05133T

FROM : SCAP (ATCHESON)

TO : WDCSA (PASS TO GENERAL MARSHALL, SECRETARY OF STATE)

(C -53820) REFERENCE WILLIAM ABER ROGER EIGHT ONE FOUR SEVEN ZERO RECEIVED FIVE JULY SUBJECT ANTARCTIC WHALING PD PARA ONE PD DIFFICULTY ENCOUNTERED BY STATE DEPARTMENT THIS MATTER THOROUGHLY APPRECIATED HERE PD PAREN THIS IS ATCHESONS ONE EIGHT THREE CMA JULY FIVE, EIGHT PETER MIKE PAREN PD OUR CONCERN HAS NOW GONE BEYOND QUESTIONS CMA IMPORTANT AND COMPELLING AS THEY ARE CMA OF FOOD DEFICIT AND BURDEN ON AMERICAN TAX DASH PAYER PD AUSTRALIAN DISTORTED PRONOUNCEMENTS AND UNWARRANTED CRITICISMS HAVE BEEN SO VIOLENT AND SO WIDELY PUBLICIZED IN THE FAR EAST THAT CMA UNLESS SUGAR DECISIONS HAVING BEEN MADE AND ANNOUNCED CMA QUESTION HAS RESOLVED ITSELF INTO ONE OF UPHOLDING PRESTIGE OF UNITED STATES IN JAPAN AND THROUGHOUT FAR EAST PD PARA TWO PD OUR DETAILED VIEWS AS FOLLOWS CLN WITH REFERENCE PENULTIMATE SUBSTANTIVE PARAGRAPH URTEL WE DO NOT RPT NOT PERCEIVE THAT AUSTRALIAN PROPOSAL HAS ANY MERIT AS INDICATED IN OUR MEMORANDUM ONE NINE JUNE TO AUSTRALIAN MISSION QUOTED IN OUR ONE SIX THREE CMA ONE NINE JUNE TO DEPARTMENT IN PART AS FOLLOWS CLN QUOTE ON THE BASIS OF EXPERT OPINION IT APPEARS THAT THE PROPOSAL IS TECHNICALLY IMPRACTICABLE PD IT IS ASSUMED THAT IT IS THE AUSTRALIAN CONCEPT THAT UNDER THE PROPOSAL JAPANESE WHALING CREWS WOULD MAN THE

Handling and transmission of the plain text of this message as correspondence of the War Department has been effected in accordance with the provisions of paragraphs 16-C, 16-E, 60-A (1) (2) (3), and 60-A (1)

SECRET

INFORMATION COPY

8

GOVERNMENT SECTION

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

VESSELS IN QUESTION AS THE ACCOMMODATIONS ON THE VESSELS ARE UNSUITABLE TO ANY BUT JAPANESE WHALERS ACCUSTOMED TO THEM FD IN SUCH CASE THE PRINCIPAL DIFFERENCE IN THE CONDUCT OF THE EXPEDITION WOULD BE THAT IT WOULD BE UNDER AUSTRALIAN CONTROL RATHER THAN UNDER ALLIED CONTROL AS WAS THE FIRST JAPANESE WHALING EXPEDITION TO THE ANTARCTIC FD THIS HEADQUARTERS CAN PERCEIVE NO RPT NO ADVANTAGE TO THE OPERATION OF A JAPANESE MANNED AND EQUIPPED EXPEDITION UNDER AUSTRALIAN CONTROL RATHER THAN UNDER SCAP CONTROL FD ON THE CONTRARY CMA IT IS BELIEVED THAT ANY SUCH ARRANGEMENT WOULD VIOLATE THE UNDERLYING PRINCIPLE OF THE OCCUPATION THAT IT SHALL HAVE THE CHARACTER OF AN ALLIED OPERATION UNDER THE EXECUTIVE AUTHORITY OF THE SUPREME COMMANDER FOR THE ALLIED POWERS FD FURTHERMORE CMA TO ATTAIN THE MAXIMUM RESULTS FOR A ONE NINE FOUR SEVEN EXPEDITION CMA ACTIVE PREPARATIONS THEREFOR SHOULD HAVE BEEN INITIATED BY MAY ONE FIVE FD PARA QUOTE THE DELAY WHICH WOULD BE INVOLVED IN SEEKING ALLIED AGREEMENT TO TURN OVER JAPANESE WHALING VESSELS TO THE AUSTRALIAN GOVERNMENT AND IN ORGANIZING ANY SUCH EXPEDITION WOULD OBVIATE ANY POSSIBILITY OF OBTAINING FROM THE FORTHCOMING WHALING SEASON THE NEEDED FOOD TO ASSIST THE UNITED STATES IN SUPPLYING THE DEFICIT IN THIS COUNTRY FD IF IN CONSEQUENCE OF SUCH AGREEMENT IT WERE DESIRED TO USE NON RASH JAPANESE CREWS CMA THE MAKING OF NECESSARY ALTERATIONS IN THE VESSELS WOULD ITSELF PRECLUDE ANY EXPEDITION DURING THE FORTHCOMING SEASON FD UNQUOTE PARA AUSTRALIAN STATEMENTS THAT SHIPS TO BE MANNED BY AUSTRALIANS QUOTE AND OPERATED MORE EFFICIENTLY THAN BY JAPANESE CMA UNQUOTE AND THAT QUOTE SUPPLIES AT LEAST AS ADEQUATE AS THOSE WHICH WOULD BE OBTAINED FROM PROPOSED JAPANESE EXPEDITION UNQUOTE ARE BASED ON UNJUSTIFIED ASSUMPTIONS AND DO NOT RPT NOT CONFORM TO EXPERIENCE AND RESULTS WHICH MIGHT REASONABLY BE EXPECTED FROM AUSTRALIAN CREWS AND OFFICERS ENTIRELY LACKING IN WHALING EXPERIENCE FD PARA THREE FD AS REGARDS FINAL PARAGRAPH UNTIL IT IS OUR

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

OPINION THAT IF AUSTRALIA WERE WILLING TO APPROVE ANY REPEAT ANY SCAP DASH SPONSORED EXPEDITION CMA THEIR COMPLAINTS IN REGARD TO SECURITY AND OTHER ASPECTS AGAINST FULL SCALE EXPEDITION WOULD BE COMPLETELY VITIATED PD TECHNICAL REASONS CITED ABOVE PAREN ABLE PAREN WOULD MAKE IT IMPRACTICABLE TO TURN OVER REMAINDER OF EQUIPMENT TO AUSTRALIANS TO OPERATE IN FORTHCOMING SEASON CMA PAREN BAKER PAREN WOULD MEAN GIVING AUSTRALIANS PREFERENCE OVER OTHER ALLIES WHICH ARE PRESENTING CLAIMS FOR JAP FACTORY SHIPS AND AUXILIARIES AND PAREN CHARLIE PAREN WOULD VIOLATE ACCEPTED PRINCIPLE OF ALLOCATION OF JAPANESE COMMERCIAL SHIPPING AS MATTER FOR PEACE SETTLEMENT PD SCAP IS WITHOUT AUTHORITY TO ALLOCATE TO ANY COUNTRY JAP COMMERCIAL VESSELS AND ULTIMATE FATE OF JAP WHALING VESSELS WILL DEPEND IN FIRST INSTANCE ON ALLIED DETERMINATION AT PEACE CONFERENCE OF FUTURE OF JAP WHALING PD PARA FOUR PD AUSTRALIAN CONTENTION THAT AUSTRALIAN PEOPLE ARE UP IN ARMS IS NOT RPT NOT ACCEPTED HERE PD NOT ONLY HAVE SOME AUSTRALIAN PAPERS STATED EDITORIALLY THAT PROJECT IS SOUND BUT LOCAL AUSTRALIAN OFFICIALS OTHER THAN MACMAHON BALL HAVE PRIVATELY CHARACTERIZED AUSTRALIAN POLITICIANS SOUND AND FUNY AS TEMPEST IN TEAPOT PD IT IS THE OPINION HERE OF THOSE CLOSELY FAMILIAR WITH AUSTRALIAN POLITICAL SCENE THAT AUSTRALIAN PROTESTS STEM FROM POLICY OF ENDEAVORING BY LOUD ASSERTION TO BRING AUSTRALIA TO PLACE OF EFFECTIVE PREDOMINANCE IN THE FAR EAST PD THIS IN TURN STEMS FROM INTERNAL AUSTRALIAN POLITICS AND POLITICAL MANEUVERS OF AUSTRALIAN OFFICIALS WHO HAVE MADE SO MUCH ILL DASH CONSIDERED PUBLIC CLAMOR IN THIS MATTER PD IN THE EYES OF THE JAPANESE PEOPLE AND OTHER PEOPLES IN THE FAR EAST THE CARRYING THROUGH OF THE SECOND EXPEDITION HAS BEEN BLOWN UP BY THE AUSTRALIANS INTO AREA MATTER OF THE PRESTIGE OF THE UNITED STATES AND OF SCAP SUBX GLN THAT IS CMA HAVING MADE A DECISION THAT IS ENTIRELY JUST CMA HUMANITARIAN AND PRACTICAL CMA WHETHER UNITED STATES AND SCAP CAN OR CANNOT BE

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

OVERRIDDEN BY THE UNREASONABLE DEMANDS OF OFFICIALS OF ABLE SMALL NATION WHICH DESIRES JAP WHALING VESSELS FOR OWN VENAL COMMERCIAL INTERESTS PD PAREN IT WILL BE RECALLED THAT AUSTRALIAN MINISTER IN CHINA WENT SO FAR AS TO ISSUE STATEMENT TO THE CHINESE PEOPLE IN THE MATTER PAREN PD PARA FIVE PD QUESTION OF SECURITY INTERLACED WITH REFERENCES TO PAST JAP TREACHERY ETCETERA WHICH THE AUSTRALIANS SEEM TO HAVE ADOPTED AS EMOTIONAL FOUNDATION OF THEIR COMPLAINTS IS ONE WHICH DOES NOT RPT NOT ACTUALLY EXIST PD IT WAS CORRECTLY STATED IN THIS HEADQUARTERS PRESS RELEASE TWO TWO JUNE CLN QUOTE AS SCAP DASH CONTROLLED JAPANESE DASH MANNED SHIPS OPERATING TO REPATRIATE FIVE AND ONE HALF MILLION JAPANESE PRISONERS OF WAR AND CIVILIANS HAVE DURING THE PAST EIGHTEEN MONTHS ENTERED NUMEROUS ALLIED PORTS IN THE WEST AND SOUTHWEST PACIFIC WITHOUT INCIDENT CMA IT IS BELIEVED THAT NO RPT NO PROBLEM OF SECURITY IS INVOLVED IN THIS SECOND WHALING EXPEDITION PD UNQUOTE SYDNEY WAS ONE OF SUCH PORTS PD FURTHERMORE CMA WHILE THE ANTARCTIC OCEAN IS NOT RPT NOT AN AUSTRALIAN LAKE CMA APPEASEMENT OF THE AUSTRALIANS IN THIS PARTICULAR MATTER WILL UNDOUBTEDLY SUPPORT THEM IN MAKING FACTUAL THEIR IMPLIED CONTENTION THAT FREEDOM OF THE SEAS AND USE BY OTHERS OF THOSE INTERNATIONAL WATERS IS SUBJECT TO AUSTRALIAN APPROVAL PD PARA SIX PD INSTRUCTIONS TO THE JAPANESE GOVERNMENT IN THE MATTER HAVE ALREADY BEEN GIVEN AND ACTIVE PREPARATIONS FOR THE EXPEDITION HAVE BEGUN PD THE JAP GOVERNMENT AND NEWLY ELECTED DIET HAVE TENDERED FORMAL EXPRESSIONS OF GRATITUDE FOR ASSISTANCE TO THEIR PROBLEMS WHICH HAS BEEN PROVIDED BY THE AUTHORIZATION PD DUE TO ITS IMPORTANCE IN THE FOOD DEFICIT CMA AUTHORIZATION OF THE EXPEDITION HAS BEEN FEATURED MOST PROMINENTLY BY JAPANESE PRESS AND HAS PROVIDED VERY DESIRABLE AND NEEDED BOOST TO JAPANESE MORALE TO HELP CARRY THEM THROUGH THE CRITICAL FOOD SITUATION PD REVERSAL WOULD HAVE EXCEEDINGLY UNFORTUNATE REPERCUSSIONS PD PARA

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

SEVEN FD THERE SEEMS TO US TO BE INVOLVED ALSO A MOST SIMPLE QUESTION OF RIGHT AND WRONG FD THIS IS THE QUESTION WHETHER WE SHOULD UPHOLD A DECISION THAT IS BASED ENTIRELY ON CONSIDERATIONS OF EXPEDIENCY FD/ITEM HAVE IN MIND NOT RPT NOT ONLY THE MERITS OF THE MATTER CMA WHICH HAVE BEEN PREVIOUSLY DISCUSSED CMA BUT ALSO THE PROVISIONS OF THE POTSDAM DECLARATION CMA NOTABLY CLN PARA QUOTE PARAN ELEVEN PARAN JAPAN SHALL RPT SHALL BE PERMITTED TO MAINTAIN SUCH INDUSTRIES AS WILL SUSTAIN HER ECONOMY AND PERMIT THE EXECUTION OF JUST REPARATIONS IN KIND CMA BUT NOT RPT NOT THOSE WHICH WOULD ENABLE HER TO RE DASH ARM FOR WAR FD TO THIS END CMA ACCESS TO CMA AS DISTINGUISHED FROM CONTROL OF CMA RAW MATERIALS SHALL RPT SHALL BE PERMITTED FD EVENTUAL JAPANESE PARTICIPATION IN WORLD TRADE RELATIONS SHALL BE PERMITTED FD UNQUOTE PARA THIS PRINCIPLE WAS RECENTLY REAFFIRMED BY FAR EASTERN COMMISSION IN ITS BASIC DASH POST DASH SURRENDER POLICY FOR JAPAN CLN PARA QUOTE ONE FD TWO FD DOG FD JAPAN SHALL RPT SHALL BE PERMITTED TO MAINTAIN SUCH INDUSTRIES AS WILL SUSTAIN HER ECONOMY AND PERMIT THE EXACTION OF JUST REPARATIONS IN KIND CMA BUT NOT RPT NOT THOSE WHICH WOULD ENABLE HER TO REARM FOR WAR FD TO THIS END ACCESS TO CMA AS DISTINGUISHED FROM CONTROL OF CMA RAW MATERIALS SHOULD BE PERMITTED FD EVENTUAL JAPANESE PARTICIPATION IN WORLD TRADE RELATIONS WILL BE PERMITTED FD PARA THE FOREGOING ALSO FOLLOWS THE FOURTH BASIC PRINCIPLE LAID DOWN IN THE ATLANTIC CHARTER AS FOLLOWS CLN PARA QUOTE THEY WILL ENDEAVOR CMA WITH DUE RESPECT FOR THEIR EXISTING OBLIGATIONS CMA TO FURTHER THE ENJOYMENT BY ALL STATES CMA GREAT OR SMALL CMA VICTOR OR VANQUISHED CMA OF ACCESS CMA ON EQUAL TERMS CMA TO THE TRADE AND TO THE RAW MATERIALS OF THE WORLD WHICH ARE NEEDED FOR THEIR ECONOMIC PROSPERITY FD UNQUOTE THIS PRINCIPLE IS ALSO ONE OF THOSE INCORPORATED IN THE DECLARATION BY THE UNITED NATIONS FD PARA EITHER ANY COMPROMISE OF THESE PRINCIPLES OR ANY APPEASEMENT OF THE

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

AUSTRALIANS WILL WITHOUT QUESTION SERIOUSLY UNDERMINE AMERICAN PRESTIGE IN THIS PART OF THE WORLD FD APPEASEMENT WILL HAVE MOST ADVERSE EFFECTS ON THE OCCUPATION WHICH HAS BEEN SO SUCCESSFULLY CARRIED FORWARD BY THE PRESTIGE OF THE UNITED STATES FD MOREOVER CMA SUCH APPEASEMENT WOULD PREJUDICE OUR POSITION AT THE PEACE CONFERENCE NOT RPT NOT ONLY BECAUSE IT WOULD CROWN AUSTRALIA APOSTROPHE SUGAR UNFAIR METHODS WITH SUCCESS AND ENCOURAGE THEM TO FURTHER UTILIZATION OF SUCH METHODS NOT WOULD ALSO POINT WAY TO THE JAPS TO SEEK SELFISH ENDS THROUGH THE MEDIUM OF LOUD COMPLAINT.

ATCHESON

OFFICIAL

R. M. LEVY
Colonel, AGD
Adjutant General

APPROVED:

GEORGE ATCHESON, JR
Ambassador
Chief, Diplomatic Section

Copies to:
CinC
C/S
WD
G-4
Navy (2)

M/R Approved by C-in-C.

RECEIVED
JUL 8 1942

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

GENERAL HEADQUARTERS
FAR EAST COMMAND
Public Information Office

Immediate Release: 1 July 1947

A SCAP Spokesman today said:

"Various statements which have been reported in the press to the effect that the decisions made by the United States Government on the Antarctic Whaling and Angaur Fertilizer projects were made without due discussion with the Australian and British Governments, are incorrect. Both these subjects were matters of discussion between interested governments before SCAP was authorized by the United States Government to approve the projects. No new Allied policy resulted from these discussions and administrative action by the United States therefore followed. Decisions on these matters were made on the basis of supplying a food deficit in Japan, the burden of which would otherwise have rested upon the American taxpayer. An added burden of approximately 21 million dollars would have resulted if these available resources had been allowed to lie idle. With the full concurrence of the great powers concerned, almost the entire burden of the occupation has fallen on the United States. By Allied agreement the United States acts on necessary matters in the absence of Allied policy. It is accordingly incorrect to say that the United States is acting unilaterally when it merely fulfills its administrative obligations.

"It is patently ridiculous to charge that these temporary and Allied controlled and supervised projects threaten the economic or military security of any of the Allies."

-0-

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

GENERAL HEADQUARTERS
FAR EAST COMMAND
Public Information Office

Immediate Release: 28 June 1947

A spokesman for General MacArthur's headquarters said:

There has been brought to the attention of this headquarters an Associated Press dispatch from London, dated 28 June, quoting a spokesman of the British Foreign Office as saying, "General MacArthur presumably did not consult the Far Eastern Commission or the British Government before authorizing the Japanese to operate a phosphate project on Angaur Island in the Palaus. Press reports of the decision represented the first intimation the British Government has received of the question."

The facts of this matter are as follows:

The operation of a phosphate rock project on Angaur, formerly a Japanese mandated island, has been in progress for over a year in order to supply Japan with required fertilizer to increase indigenous food production and reduce the amount of United States appropriated funds required to meet the food deficit in Japan. Such use of stock piles of phosphate rock on Angaur Island was initially authorized by the Fertilizer Committee of the Combined Food Board, an international body on which the British Government has been represented. Subsequently, a contract was made with J. H. Pomeroy and Company, an American concern, for the mining of additional phosphate rock. When funds for this purpose expired, Washington authorized General MacArthur as Commander-in-Chief of the Far East Command to take over the project and operate it for Occupation purposes with Japanese labor. The new arrangement for the conduct of the mining ensures the continuance of this essential enterprise. All expenses involved are being met by the Japanese. The mining equipment, which is American, is to be returned to the United States upon completion of the project.

(over)

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

Angaur is a part of the Caroline Islands, formerly mandated to Japan but now under the trusteeship of the United States. As Angaur was captured by force of United States arms and is under United States control, there is no question as to the propriety of the United States utilizing the indigenous resources of the island to meet the vital needs of the Allied occupation in Japan.

The headquarters spokesman also stated that the reference made by the British Foreign Office to the Far Eastern Commission in connection with the Angaur project is not understood, as the Far Eastern Commission deals only with Japan proper.

-0-

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

FAR EAST COMMAND
GENERAL HEADQUARTERS, ~~U. S. ARMY FORCES, PACIFIC~~
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

VWD
rtf

INCOMING MESSAGE

Secret
PRIORITY

5 Jul 47

FROM : WAR

TO : CINCFE

NR : W 81470

Since notification to you to proceed with 2d Antarctic whaling expedition, following important diplomatic developments have taken place:

On 17 Jun British note to Department requesting expedition be withheld or cancelled. Norwegians also protested action.

Australians presented note 23 Jun proposing that a factory ship and chasers should be made available to Australia immediately for use in coming whaling season, ships to be manned by Australians and operated more efficiently than by Japanese, thus increased amount of oil available. "The allocation of the food products to relieve the Japanese food shortage would be entirely a matter for determination by the Supreme Commander, and the oil would be allocated as at present by an international food and emergency committee, thus assuring supplies at least as adequate as those which would be obtained from the proposed Japanese expedition. The Australian Govt is prepared to consider methods of payment which would avoid the cost being a charge on the US revenue. If a separate Australian expedition is not considered feasible or desirable, Australia is prepared to conduct the expedition in association with our allies, in particular the United Kingdom and Norway."

24262

PRIORITY
Secret
-1-

"Paraphrase not required. Handle as SECRET correspondence per para 51 i and 60 a (4) AR 380-5."

Handling and transmission of literal plain text of this message as correspondence of the same classification has been authorized by the War Department in accordance with the provisions of paragraphs 16-C, 18-E, 53-A, 53-D (1) (2) (3), and 60-A (1) (2) (3) (4), AR 380-5, 6 March 1946.

COPY NO. 15

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

FAR EAST COMMAND
GENERAL HEADQUARTERS, ~~U. S. ARMY FORCES, PACIFIC~~
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

INCOMING MESSAGE

Secret
PRIORITY

FROM : WAR, NR: W 81470, 5 JULY 1947, CONTINUED

To the present time Department has been prepared to reject Australian proposal.

On 25 Jun New Zealand Minister presented note to the Under Secretary sponsoring Australian proposal.

On 26 Jun Ambassador Makin presented FEC strong appeal that British paper prohibiting Antarctic whaling be approved. Matter was postponed in Commission.

On 1 Jul Counselor British Embassy presented note to Under Secretary requesting orders for expedition be countermanded and be referred to FEC for decision.

In all discussions with allies on matter, US maintained that 2d expedition in interest of SCAP and US principle of the development of peaceful industries in Japan to assist in Japanese economic self-sufficiency. Attitude of our allies now developed beyond status of clear thinking and it is apparent to this government that the Australian Govt and people have developed strong emotional reaction against a 2d expedition taking place, as clearly indicated in note presented by Australian Ambassador to Secretary of State on 3 Jul and exemplified by following extracts of Ambassador's statement:

"With the memory of the Japanese invasion of New Guinea and Timor, and the destruction of our northern port of Darwin fresh in mind, the Australian people can only regard the presence of Japanese ships whether whalers or pearlers or otherwise in the seas adjacent to Australia with the deepest resentment and apprehension.

A second visit of Japanese ships and Japanese crews

"Paraphrase not required. Handle as SECRET correspondence per para 51 i and 60 a (4) AR 380-5."

Handling and transmission of literal plain text of this message as correspondence of the same classification has been authorized by the War Department in accordance with the provisions of paragraphs 16-C, 18-E, 53-A, 53-D (1) (2) (3), and 60-A (1) (2) (3) (4), AR 380-5, 6 March 1946.

COPY NO.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

FAR EAST COMMAND
GENERAL HEADQUARTERS, ~~U. S. ARMY FORCES, PACIFIC~~
ADJUTANT GENERAL'S OFFICE
RADIO AND CABLE CENTER

INCOMING MESSAGE

Secret
PRIORITY

FROM : WAR, NR: W 81470, 5 JULY 1947 CONTINUED

following on that of last year will give great encouragement to the Japanese in a direction which we can only regard as most undesirable.

I would emphasize our concern that an enemy country should be considered in this way contrary to the interests of an ally. We have suffered the treachery of this enemy as you have, and none understand that treachery better than the United States.

My government hopes that the Government of the United States will be prepared to review this matter which from our point of view is one of major importance and which has deeply stirred the whole Australian people."

Without sacrificing our basic principle that Japan must have a place in the world economy and be permitted to pursue its peaceful industries, and in view of strong feelings aroused in Australia, do you feel the Australian proposal as quoted in paragraph 2 above has any merit?

As alternative compromise would appreciate your comments on possibility of SCAP-sponsored expedition being reduced to single factory ship and chasers and remainder of equipment being turned over to Australians to operate, again without loss to American taxpayer.

ACTION: NAT RESOURCES NO SIG

INFORMATION: COMMANDER IN CHIEF, CHIEF OF STAFF, G-4, AG, GOVT, ECON & SCI, DIPLOMATIC

NOTE: Duty Officer Signal MessagenCenter states this message delayed due to service.

24262 PRIORITY TOO : 040032 Z
Secret MCN : 56851
-3-

"Paraphrase not required. Handle as SECRET correspondence per para 51 1 and 60 a (4) AR 380-5."

Handling and transmission of literal plain text of this message as correspondence of the same classification has been authorized by the War Department in accordance with the provisions of paragraphs 16-C, 18-E, 53-A, 53-D (1) (2) (3), and 60-A (1) (2) (3) (4), AR 380-5, 6 March 1946. COPY NO.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

1. Government Section strongly concurs with the recommendation of NRS that the proposed Memorandum, attached as Inclosure 3, be dispatched to the Japanese Government.

2. Issuance of the proposed SCAP Directive would have a wholesome effect on the progress of the land reform program. The declaration that the Land Reform Laws constitute an objective under the Potsdam Declaration would at once encourage executive and judicial authorities to enforce the program vigorously, and discourage those obstructive groups who, whether from pecuniary or ideological motives, seek to retard, obstruct, or otherwise slow down the redistribution of agricultural lands on an equitable basis.

- C.W. - - - - - - - - - - - - -

DECLASSIFIED E.O. 11,652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
AND
UNITED STATES ARMY FORCES, PACIFIC

ROUTING SLIP

FROM: NR

TO:

DATE: 8 JAN 1947

Commander-in-Chief		Ordnance	
Aide-de-Camp		Prov Marshal	
Chief of Staff		Pub Relations	
Deputy C of S AFPAC		Quartermaster	
Deputy C of S SCAP		Signal	
Secy, General Staff		Sp Services	
G-1		Transp	
G-2			
G-3			
G-4		Civ Comm	
Adjutant General		Civ I&E	
Antiaircraft		Civ Int	
Cent Purch		Civ Prop Cust	
Chaplain		Civ Transp	
Chemical		Diplomatic	
Civ Personnel		E&S	
Engineer		Gen Acct'g	
Fiscal		Gen Proc	
Hq Comdt		Government	✓✓
I&E		Int'l Pros	
Inspector General		Legal	
Judge Advocate		Nat Resources	
Medical		Pub H&W	
		Stat & Rpts	

FOR:

Approval		Note and return	
Comment or Concurrence		Dist'n Desired	
Information	✓✓	Signature	
Initials		Dispatch	
Issuance of Orders		Attachment of Reference	
Necessary Action		File	

attn: General Wheeler

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

Natural Resources Section
APO 500

7 July 1947

Mr. Arthur F. Fischer, Director,
Natural History Museum
San Diego, California

Dear Sir:

Your letter of 18 June 1947 to Brigadier General Courtney Whitney has been referred to me for Information concerning publications of the Natural Resources Section.

Since the establishment of the Section 2 October 1945, we have published seventy-nine reports, supplementary reports to six of these, and twelve preliminary studies. Each is concerned with some phase of agriculture, mining and geology, fisheries, or forestry. A list of publications taken from our latest report is enclosed to give you an idea of the subject matter.

In addition to these, we have published each week a summary of Section activities which includes conferences with Japanese scientists and government officials, some of whom you may have known. This is the best way I know of informing you what Japanese personnel we may have met.

Distribution of our reports, preliminary studies, and weekly summaries to organizations in the United States is handled by Mrs. D. K. Lewis, Information Branch, Civil Affairs Division, Washington, 25, D. C. She has arranged a comprehensive coverage, which includes distribution to the agricultural college libraries of all land grant colleges, the Library of Congress, and departments of the executive branch of the Federal Government. She has also made arrangements to have the reports reproduced upon request.

Since we may not make distribution directly to you, I suggest that you contact Mrs. Lewis and ask to be included in her distribution. In the meantime I shall write to her and recommend the same thing.

For information concerning other scientific publications by General Headquarters, Supreme Commander for the Allied Powers, I suggest that you write to Statistics and Reports Section.

Yours very truly,

HUBERT G. SCHENCK
Lt Col CE
Chief, Natural Resources Section

1 Incl
List of Natural Resources
Section Reports

General Whitney

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

7 July 1947

Mrs. D. K. Lewis
Information Branch
Civil Affairs Division
Washington, 25, D. C.

Dear Mrs. Lewis:

A copy of a letter from Mr. Arthur F. Fischer, Director, Natural History Museum, San Diego, California, and a copy of our reply to him is enclosed for your information.

If it is possible to include the Natural History Museum in your distribution of Natural Resources Section reports and weekly summaries, I believe the request he makes in the letter would be satisfied. Mr. Fischer, former Director of Forestry in the Philippines, is a close friend of General MacArthur, having served with him for several years.

I imagine you can expect a letter from him soon on this matter, and I heartily recommend that the services of your Division be extended to him.

Yours very truly,

2 Incl
Copy of letter from Mr. Fischer
Copy of reply to Mr. Fischer

HUBERT G. SCHENCK
Lt Col CE
Chief, Natural Resources Section

General Whitney

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
Government Section

17 September 1946.

MEMORANDUM FOR THE CHIEF, GOVERNMENT SECTION.

SUBJECT: Objections to Land Reform Program voiced by British and USSR Members of the Allied Council.

1. Critique of SCAP's handling of the land reform program by Mr. Ball, British member of the Allied Council, falls under three main heads:

a. That the statement of August 29 by Mr. Wada, Minister of Agriculture and Forestry, constituted "an obvious slur directed at the British."

b. That the land reform bill "puts no limit on the amount of land which any family may own."

c. That "the whole purpose" of the land reform program has been "defeated", with Japan being "merely converted from a country of tenant farmers to one of big estates worked by hired labor."

2. With respect to (a), it is to be noted that the Sunday Observer dispatch gives an incomplete summary of Mr. Wada's statement on this point. Mr. Wada's sentences read in full as follows:

> "While it (the bill) rejects the principle of expropriation without just compensation, advocated by some as democratic, it is realistically attuned to all other basic principles consistent with justice, security and economic welfare of the farmers of Japan. It thus differs considerably from the solution recommended by some members of the Allied Council, but it provides a solution in many respects more liberal, more workable and without violence to any of the basic human rights."

If there is "an obvious slur" in these sentences, it is obviously directed against the Russians not the British. It is quite clear that Mr. Ball has been over-sensitive in his attachment of the slur to his nation.

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

3. With respect to (b), Mr. Ball's statement as quoted by the Sunday Observer is both inexact and self-contradictory. He is quoted as follows:

> "Mr. Ball has pointed out to me (the Sunday Observer correspondent) that by the British proposals the Japanese would have had to break up the big estates in holdings of a maximum of 7½ acres. The Japanese bill puts no limit on the amount of land which any family may own. There is nothing to prevent a wealthy farmer from buying a large area provided he cultivates (it) himself."

The last two sentences of this statement are self-contradictory. Mr. Ball is first quoted as saying the bill "puts no limit on the amount of land which any family may own." The next sentence, however, introduces a limitation - namely, the proviso that "the wealthy farmer" must cultivate the land "himself."

The limitations imposed by the bill, however, are much stricter and more complete than this inadvertent proviso of Mr. Ball's would suggest. They may be summarized as follows:

a. In general, no estate may exist which exceeds 3 cho (about 7½ acres).

b. An estate may exceed 3 cho, but it must have all been cultivated by the owner and his family household. The household is defined by the strictly kept local family register. This provision is designed to protect the small freeholder who is at present, with his household, cultivating more than 3 cho. Where an excess, even though cultivated by a family household, is deemed "unreasonable", it may be reduced.

c. The "wealthy farmer", i.e., the landlord, cannot retain any land that is not held in the village of his family residence. At this site he cannot retain more than 3 cho, unless it has been cultivated by himself and members of his own family household. Of the permitted 3 cho, 1 cho may be leased to a tenant. His absentee-owned lands must be sold to the government.

d. Distribution of government-purchased lands is to be handled by local committees on which the tenants are fully represented. The meetings of these committees are to be held in public and their decisions will be known to every one in the

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

local communities. Under these conditions, the possibility of evading the provisions of the bill is reduced to a minimum.

3. With respect to (c), it is well-nigh incredible that Mr. Ball permitted himself to make the statement apparently attributed to him by the Sunday Observer correspondent. This statement reads as follows:

> "The whole purpose of land reform is thus defeated and Japan is merely converted from a country of tenant farmers to one of big estates worked by hired labor."

Actually, the "whole purpose" of the land reform bill is to maximize the number of small freeholders. Not "hired labor", but the labor of the owner-cultivator is required, while "big estates" will be eliminated.

4. The representative of the Soviet Union in the Allied Council, Gen. Derevyanko, offered the following program of land reform to the Allied Council:

a. The lands of absentee landowners to be transferred to tenants; the landowners who themselves cultivated land before December 1, 1945, would be permitted to retain three cho.

This suggestion of the Soviet Representative will be fully realized. He has not mentioned a third group: landowners who do not cultivate land and who are not absentee. Such landowners under the reform are permitted to retain one cho of land.

b. Transactions in land after December 1, 1945 to be considered null and void.

The Land Reform Bill takes as its starting point November 23, 1945, thus meeting Derevyanko's suggestion. In the Bill, however, the application of this date is left to the discretion of the Land Commissions. The SCAP considers that the date should be mandatory, but that cases of hardship should be excluded (Gen. Derevyanko mentioned no exceptions).

c. The purchasing price should be a minimal one and should depend upon the size of the lot; in case of an estate larger than 3 cho but smaller than 6 cho, the purchasing price for the land above 3 cho should be only half of the established price and for estates larger than six cho no compensation should be paid at all for the excess over six cho.

The first suggestion of Gen. Derevyanko has been realized: the tenants will pay 757 yen per tan suiden, the

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 072

yield of which at the official prices this year would be around 1,300 yen. Thus the price will be less than half of the annual gross revenue from the land, which is extremely low.

But the SCAP could not accept the principle of confiscation and under the Bill no distinction is made; whether the estate is large or small, the price remains the same.

d. Land Reform should be concluded by January 1, 1948, i.e., during one year. In the present Bill there is no such time limit.

The SCAP recognizes the necessity of such a limit and the desirability of finishing the reform as soon as possible, yet considers a one-year period for such a reform as unduly short. Three years' period may be considered sufficient for all practical purposes.

5. Besides these suggestions by Gen. Derevyanko there appeared in the Soviet newspaper Socialistic Agriculture (Sotsialisticheskoye zemledeliye) from July 21, 1946, an article signed by Y. Pevzner in which the SCAP is accused of sabotage of the reform. The following concrete accusations are brought to prove the point:

a. That the purchasing price has been increased from 756 yen to 1,300 yen per cho.

This accusation is baseless - the price has not been changed.

b. That the Commissions in charge of the reform will consist of five landlords and five "peasants" and this would guarantee the overwhelming influence of the landlords because (1) the landlords are better organized, (2) they can threaten tenants with eviction, (3) on their side are government, police, court, procurators, etc.

As the Commisxions cannot increase the price and cannot leave to the landlord more land than is permitted under the Bill, it is difficult to understand how this influence of landlords can affect the reform; moreover, the SCAP will be on guard against any distortion of the spirit and letter of the Law.

6. From this examination it follows, except for the Soviet suggestions proposing confiscation without remuneration,

DECLASSIFIED E.O. 11652 SEC. 3(E) AND 5(D) OR (E) NNDG # 773 012

all suggestions will be substantially realized under the reform.

A. J. Grajdanzev
T. A. Bisson

DECLASSIFIED E.O. 12032 SEC. 3(E) AND 3(D) OR (E) NNDG # 775 072

COMPARATIVE STUDY OF BASIC PROVISIONS CONTAINED IN VARIOUS PROPOSALS ON LAND REFORM IN JAPAN

1. Limitations on ownership of tenant-cultivated land per individual owner:

a. Original Japanese Plan* -- Allowance of 5 cho per individual landowner.

b. First NRS Draft Directive -- In Honshu, Kyushu, and Shikoku, a landowner who owns and himself cultivates three or more cho would be permitted to keep no tenant cultivated land, and a landowner who owns and himself cultivates less than three cho could keep an amount of tenant-cultivated land sufficient to bring the total to three cho. In Hokkaido the same provision would apply, except that the limit would be 12 cho instead of three.

c. Allied Council Proposal -- An average limit per individual landowner of one cho.

d. Second NRS Draft Directive -- A limit per individual landowner of one cho, on the average, for Honshu, Kyushu, and Shikoku, and four cho for Hokkaido.

e. Proposed legislation** -- A limit per individual landowner of one cho, on the average, for Kyushu, Shikoku and Honshu, and four cho on the average for Hokkaido.

2. Limitation on the total amount of owner-cultivated land per individual landowner:

a. Original Japanese Plan -- No limit placed on the amount of owner cultivated land per individual household.

b. First NRS Draft Directive -- No limit placed on the amount of owner cultivated land per individual household.

c. Allied Council Proposal -- Owners would be limited to a total of 3 cho of farm land as an average in Honshu, Kyushu and Shikoku and 10 cho in Hokkaido per individual household.

d. Second NRS Draft Directive -- Owners would be limited to a total of 3 cho of farm land on an average in Honshu, Kyushu, and Shikoku, and 12 cho in Hokkaido.

---

* dated 15 March 1946 and submitted to SCAP in response to a SCAP Memorandum to the Japanese Government, file AG 602.6 (9 Dec 45)CIE dated 9 December 1945, subject: Rural Land Reform.

** Pending in the Japanese Diet.

Encl. 2

e. Proposed Legislation -- By the provisions of the proposed Bill and supporting ordinance, owners would in general be limited to a total of 3 cho of farm land on the average in Honshu, Kyushu and Shikoku, and 12 cho in Hokkaido. Owners would be permitted to exceed these amounts only when subdivision of their holdings would result in decreased production and/or the labor supply within the owner farmer's immediate household is capable of fulfilling the farm labor requirements of the larger area.

3. Procedure for transfer of land from present owners to tenants:

a. Original Japanese Plan -- Purchase would have been effected through direct negotiations between tenant and landlord. Provision was also made for the purchase of farm lands by the local Farm Associations for subsequent resale to individual tenants. In the event direct negotiation proved impossible, transfer would have been forced by the local Land Committees acting in accord with provisions of the amended Farm Lands Adjustment Law.

b. First NRS Draft Directive -- Purchase of the land by the government for resale.

c. Allied Council Proposal -- Same.

d. Second NRS Draft Directive -- Same.

e. Proposed legislation -- Same.

4. Limitation on amount of land which may be purchased by tenants.

a. Original Japanese Plan -- No amount specified.

b. First NRS Draft Directive -- No amount specified.

c. Allied Council Proposal -- Tenants limited to the purchase of household maintenance units of land of one cho on the average.

d. Second NRS Draft Directive -- Tenants given priority to purchase the land they are now cultivating. Those tenants on that land not subject to transfer because of the allowance of one cho of tenant land per landowner would be given first opportunity to buy that land available for sale because of the limitation imposed on the size of farms.

e. Proposed Legislation -- Tenants given priority to purchase the land they are now cultivating. Except in special circumstances, all owner operator holdings are limited to three cho on the average in Kyushu, Shikoku and Honshu and 12 cho on the average in Hokkaido. (See 2-e)

5. Administration of the Land Reform Program.

a. Original Japanese Plan -- Administration in accordance with amended Agricultural Lands Adjustment Law, and the related Ministerial

Ordinances. Overall administration by the National Rural Land Committee, consisting of the Minister of Agriculture and Forestry and representatives of landowners and tenants. A system of Prefectural and Local Rural Land Committees would actually carry out the program. Prefectural and Local Land Committees were heavily weighted in favor of landlord interests.

b. First NRS Draft Directive -- Substantially the same as the Allied Council proposal.

c. Allied Council proposal -- The creation of a Land Acquisition Board consisting of the Minister of Agriculture and Forestry, and equal representation of landowners and tenants. The Board would have prefectural and local sub-divisions.

d. Second NRS Draft Directive -- Substantially the same as the Allied Council proposal.

e. Proposed legislation -- In accord with the amended Agricultural Lands Adjustment Law and the related Ordinance, a National Agricultural Land Commission chaired by the Minister of Agriculture and Forestry and composed of technicians, representatives of the Diet, farm organizations, and equal representation from among landowners and tenants would be responsible for administration. Prefectural and local committees representing tenant and landlord interests equally would actually carry out the programs in the various communities. Tenant endowner representatives to prefectural and local committees would be elected by and from among their respective groups within the area.

6. <u>The Purchase Price of Land.</u>

a. Original Japanese Plan -- For all paddy an average of ¥ 757.60 per tan plus a subsidy of ¥ 220.00 per tan. For all upland an average of ¥ 464.98 per tan plus a subsidy of ¥ 130 per tan.

b. First NRS Draft Directive -- An average of ¥ 977.60 per tan of paddy land and ¥ 594.98 per tan of upland fields.

c. Allied Council Proposal -- See proposals made by the member representing the USSR, which follow in Paragraph 10.

d. Second NRS Draft Directive -- For tenant-cultivated land subject to sale an average of ¥ 757.60 per tan of paddy land and ¥ 464.98 per tan of upland fields. For owner-cultivated land subject to sale an additional subsidy to be paid by the government of ¥ 220 per tan of paddy land and ¥ 130 per tan of upland fields.

e. Proposed legislation -- An average of ¥ 757.60 per tan of paddy and an average of ¥ 464.98 per tan of upland. Up to 3 cho in Kyushu, Shikoku and Honshu and up to 12 cho in Hokkaido, landowners whose land is purchased would receive an additional subsidy of ¥ 220.00 per tan of paddy and ¥ 130.00 per tan of upland.

7. Method of Payment:

a. Original Japanese Plan -- Direct purchase by the tenant from the landowner. Government to make purchase money available to farmers at 3.2% with a repayment period of 24 years.

b. First NRS Draft Directive -- Issue of Government Bonds to landowners, redeemable in periodic payments over 30 years at not more than two percent interest. Payment by tenants would be made to the government over the same period at the same rate of interest.

c. Allied Council Proposals -- Substantially the same.

d. Second NRS Draft Directive -- Payment to landowners by the government and by tenants to the government to be made in annual installments over a 30 year period at an interest rate not to exceed 2.5 percent.

e. Proposed legislation -- Issue of government bonds to landowners. Bonds to be issued at the current rate of interest and be redeemable within 24 years. Tenants would be allowed 24 years in which to purchase the land, paying 3.2 percent interest on the unpaid principal. If necessary, tenants would be allowed 30 years to complete payment of the principal.

8. Time Period for carrying out the program:

a. Original Japanese Plan -- Five years.

b. First NRS Draft directive -- No specified period.

c. Allied Council Proposal -- Two years.

d. Second NRS Draft Directive -- Two years.

e. Proposed legislation -- No time specified in the Bill, but it is the stated intention of the cabinet that the program will be carried through to conclusion in two years.

9. Problem of future reduction in land values:

a. Original Japanese Plan -- Since the interest rate was set at 3.2%, it was anticipated that all tenants would be able to meet annual installments on borrowed money. The provision was made, however, that in case of 'natural disaster and unavoidable circumstance the interest will be paid by the government, and the time for repayment of capital postponed.'

b. First NRS Draft Directive -- Tenants purchasing land should be protected against future decline in land values.

c. Allied Council Proposal -- Substantially the same.

Four classes:

1. Absentee landlords – none.
2. Non-cultivating resident landlords – can rent to tenants up to 1 cho, but no more.
3. Cultivating resident landlord – can retain, inclusive of the 1 cho in (2) above, land which his family cultivates up to a maximum of 3 cho.
4. Owner-cultivator, who now owns and cultivates more than 3 cho with his family labor, may retain the amount owned, 3 cho.

C O P Y

READING COPY

SUPREME COMMANDER FOR THE ALLIED POWERS
AND
FAR EAST COMMAND

HGS/RHD/MBW/ls
OUTGOING MESSAGE Date: 10 January 1947

RESTRICTED

FROM: SCAP

TO : WASHINGTON (WDSCA ES).....ROUTINE

( ) Reurad W88999 date time group 042041Z January 1947

subject: FEC discussions on Land Reform.

Regarding your one (A). The Law for the Special Measure for the Establishment of Owner Farmers, copies of which were furnished the Adjutant General, War Department, Civil Affairs Division on 31 October 1946, states that:

a. Without exception all land of absentee landlords will be purchased. Absentee landlords are those who own land in a particular village but live elsewhere.

b. Without exception non-cultivating resident landlords can retain an average 4 cho in Hokkaido and one cho in the rest of Japan. These landlords reside in the villages in which their land is located.

c. Without exception cultivating landlords, those who cultivate some of the land they own and rent out the remainder, can retain inclusive of the 1 rented cho (b), land they cultivate up to 3 cho maximum (cannot own more than an average of 12 cho in Hokkaido or 3 cho in the rest of Japan).

Upward deviations from the 3 and 12 cho provisions do exist for owner farmers those who now own and cultivate all their land with their family labor. Principal purpose of the law is to do away with the evils of landlordism as they exist in Japan, not

R E S T R I C T E D

to eliminate efficient owner farmers. Method by which the National averages of 3 and 12 cho are to be maintained was explained to representatives of the State Department and Civil Affairs Division in a Telecon on 11 October 1946.

Regarding your one (B). Neither prefectural governors nor any other non-elected government officials can modify or set aside decisions of local land commissions which have been made by them in accordance with authority granted under the provisions of the Land Reform laws.

Regarding measures being taken by General Headquarters, Supreme Commander for the Allied Powers, to supervise the Land Reform program. On 10 and 11 December 1946, a conference was held with Military Government representatives from all 46 prefectures in Japan to discuss with them the importance of the land reform program, the method by which the program is to be administered by the Japanese Government, the content of the land reform laws and ordinances as passed by the Japanese Diet, and the observations and reports to GHQ, SCAP that prefectural Military Government teams are to be required to make in order that proper implementation of the program by the Japanese Government can be assured. In addition, the services of a Technical Intelligence Company are to be used for making continuing field checks at prefectural and local levels on the progress of the land transfer program. Also, detailed reports are being required of the Japanese Government on the operation of the program. Constant liaison and close coordination have been maintained between land reform specialists of GHQ, SCAP and the Ministry of Agriculture

and Forestry as this program has been formulated. These relationships, in addition to field inspection by specialists of GHQ, SCAP will be continued in order that constant surveillance can be exercised over the Japanese as the program is implemented.

The entire question of local land reform has been left to the Japanese government to work out with the advice and assistance of SCAP. There is no policy decision of the Far Eastern Commission involved, nor any SCAP action appropriate for review within the commission's terms of reference. The reforms have resulted from normal legislative process and their implementation would appear to fall within the executive rather than policy making phase of the operation. No hesitation has been found in according the Far Eastern Commission full information requested but any attempted intereference should be carefully scrutinized to determine its validity.

OFFICIAL:

JOHN B. COOLEY
Colonel AGD
Adjutant General

APPROVED BY:

HUBERT G. SCHENCK
Lt Col CE
Chief, Natural Resources Section

Copies to:
C in C
C/S
AG
DS (2)
GS
ESS
CIE
SRS
NR Return (3)

COPY

RESTRICTED

Note for Record:

1. Incoming radio from Washington (WDSCA ES) to CINCFE, W 88999, dtg 042041 Z December 1946 indicates FEC concern over certain points in the Land Reform Laws, and requests information on these points.

2. This outgoing radio clarifies certain of the points, but calls attention to the fact that much of the information requested has already been furnished Washington. In addition the outgoing radio states that the questions raised by the FEC appear to fall within the executive rather than the policy phase of the land reform program, and that interference on the part of the FEC should be examined carefully to determine its validity.

3. Concurrence: GS (Brig Gen C.Whitney)

R. H. D._____2-3236

RESTRICTED

COPY

READING COPY

SUPREME COMMANDER FOR THE ALLIED POWERS
AND
FAR EAST COMMAND

OUTGOING MESSAGE

HGS/RHD/MBW/ls
Date: 10 January 1947

RESTRICTED

FROM: SCAP

TO : WASHINGTON (WDSCA ES).....ROUTINE

( ) Reurad W88999 date time group 042041Z January 1947

subject: FEC discussions on Land Reform.

Regarding your one (A). The Law for the Special Measure for the Establishment of Owner Farmers, copies of which were furnished the Adjutant General, War Department, Civil Affairs Division on 31 October 1946, states that:

a. Without exception all land of absentee landlords will be purchased. Absentee landlords are those who own land in a particular village but live elsewhere.

b. Without exception non-cultivating resident landlords can retain an average 4 cho in Hokkaido and one cho in the rest of Japan. These landlords reside in the villages in which their land is located.

c. Without exception cultivating landlords, those who cultivate some of the land they own and rent out the remainder, can retain inclusive of the 1 rented cho (b), land they cultivate up to 3 cho maximum (cannot own more than an average of 12 cho in Hokkaido or 3 cho in the rest of Japan).

Upward deviations from the 3 and 12 cho provisions do exist for owner farmers those who now own and cultivate all their land with their family labor. Principal purpose of the law is to do away with the evils of landlordism as they exist in Japan, not

to eliminate efficient owner farmers. Method by which the National averages of 3 and 12 cho are to be maintained was explained to representatives of the State Department and Civil Affairs Division in a Telecon on 11 October 1946.

Regarding your one (B). Neither prefectural governors nor any other non-elected government officials can modify or set aside decisions of local land commissions which have been made by them in accordance with authority granted under the provisions of the Land Reform laws.

Regarding measures being taken by General Headquarters, Supreme Commander for the Allied Powers, to supervise the Land Reform program. On 10 and 11 December 1946, a conference was held with Military Government representatives from all 46 prefectures in Japan to discuss with them the importance of the land reform program, the method by which the program is to be administered by the Japanese Government, the content of the land reform laws and ordinances as passed by the Japanese Diet, and the observations and reports to GHQ, SCAP that prefectural Military Government teams are to be required to make in order that proper implementation of the program by the Japanese Government can be assured. In addition, the services of a Technical Intelligence Company are to be used for making continuing field checks at prefectural and local levels on the progress of the land transfer program. Also, detailed reports are being required of the Japanese Government on the operation of the program. Constant liaison and close coordination have been maintained between land reform specialists of GHQ, SCAP and the Ministry of Agriculture

and Forestry as this program has been formulated. These relationships, in addition to field inspection by specialists of GHQ, SCAP will be continued in order that constant surveillance can be exercised over the Japanese as the program is implemented.

The entire question of local land reform has been left to the Japanese government to work out with the advice and assistance of SCAP. There is no policy decision of the Far Eastern Commission involved, nor any SCAP action appropriate for review within the commission's terms of reference. The reforms have resulted from normal legislative process and their implementation would appear to fall within the executive rather than policy making phase of the operation. No hesitation has been found in according the Far Eastern Commission full information requested but any attempted intereference should be carefully scrutinized to determine its validity.

OFFICIAL:

JOHN B. COOLEY
Colonel AGD
Adjutant General

APPROVED BY:

HUBERT G. SCHENCK
Lt Col CE
Chief, Natural Resources Section

Copies to:
C in C
C/S
AG
DS (2)
GS
ESS
CIE
SRS
NR Return (3)

COPY

RESTRICTED

Note for Record:

1. Incoming radio from Washington (WDSCA ES) to CINCFE, W 88999, dtg 042041 Z December 1946 indicates FEC concern over certain points in the Land Reform Laws, and requests information on these points.

2. This outgoing radio clarifies certain of the points, but calls attention to the fact that much of the information requested has already been furnished Washington. In addition the outgoing radio states that the questions raised by the FEC appear to fall within the executive rather than the policy phase of the land reform program, and that interference on the part of the FEC should be examined carefully to determine its validity.

3. Concurrence: GS (Brig Gen C.Whitney)

R. H. D._____2-3236

RESTRICTED

COPY

READING COPY

SUPREME COMMANDER FOR THE ALLIED POWERS
AND
FAR EAST COMMAND

OUTGOING MESSAGE

HGS/RHD/MBW/ls
Date: 10 January 1947

RESTRICTED

FROM: SCAP

TO : WASHINGTON (WDSCA ES).....ROUTINE

( ) Reurad W88999 date time group 042041Z January 1947

subject: FEC discussions on Land Reform.

Regarding your one (A). The Law for the Special Measure for the Establishment of Owner Farmers, copies of which were furnished the Adjutant General, War Department, Civil Affairs Division on 31 October 1946, states that:

a. Without exception all land of absentee landlords will be purchased. Absentee landlords are those who own land in a particular village but live elsewhere.

b. Without exception non-cultivating resident landlords can retain an average 4 cho in Hokkaido and one cho in the rest of Japan. These landlords reside in the villages in which their land is located.

c. Without exception cultivating landlords, those who cultivate some of the land they own and rent out the remainder, can retain inclusive of the 1 rented cho (b), land they cultivate up to 3 cho maximum (cannot own more than an average of 12 cho in Hokkaido or 3 cho in the rest of Japan).

Upward deviations from the 3 and 12 cho provisions do exist for owner farmers those who now own and cultivate all their land with their family labor. Principal purpose of the law is to do away with the evils of landlordism as they exist in Japan, not

to eliminate efficient owner farmers. Method by which the National averages of 3 and 12 cho are to be maintained was explained to representatives of the State Department and Civil Affairs Division in a Telecon on 11 October 1946.

Regarding your one (B). Neither prefectural governors nor any other non-elected government officials can modify or set aside decisions of local land commissions which have been made by them in accordance with authority granted under the provisions of the Land Reform laws.

Regarding measures being taken by General Headquarters, Supreme Commander for the Allied Powers, to supervise the Land Reform program. On 10 and 11 December 1946, a conference was held with Military Government representatives from all 46 prefectures in Japan to discuss with them the importance of the land reform program, the method by which the program is to be administered by the Japanese Government, the content of the land reform laws and ordinances as passed by the Japanese Diet, and the observations and reports to GHQ, SCAP that prefectural Military Government teams are to be required to make in order that proper implementation of the program by the Japanese Government can be assured. In addition, the services of a Technical Intelligence Company are to be used for making continuing field checks at prefectural and local levels on the progress of the land transfer program. Also, detailed reports are being required of the Japanese Government on the operation of the program. Constant liaison and close coordination have been maintained between land reform specialists of GHQ, SCAP and the Ministry of Agriculture

and Forestry as this program has been formulated. These relationships, in addition to field inspection by specialists of GHQ, SCAP will be continued in order that constant surveillance can be exercised over the Japanese as the program is implemented.

The entire question of local land reform has been left to the Japanese government to work out with the advice and assistance of SCAP. There is no policy decision of the Far Eastern Commission involved, nor any SCAP action appropriate for review within the commission's terms of reference. The reforms have resulted from normal legislative process and their implementation would appear to fall within the executive rather than policy making phase of the operation. No hesitation has been found in according the Far Eastern Commission full information requested but any attempted intereference should be carefully scrutinized to determine its validity.

OFFICIAL:

JOHN B. COOLEY
Colonel AGD
Adjutant General

APPROVED BY:

HUBERT G. SCHENCK
Lt Col CE
Chief, Natural Resources Section

Copies to:
C in C
C/S
AG
DS (2)
GS
ESS
CIE
SRS
NR Return (3)

COPY RESTRICTED

Note for Record:

1. Incoming radio from Washington (WDSCA ES) to CINCFE, W 88999, dtg 042041 Z December 1946 indicates FEC concern over certain points in the Land Reform Laws, and requests information on these points.

2. This outgoing radio clarifies certain of the points, but calls attention to the fact that much of the information requested has already been furnished Washington. In addition the outgoing radio states that the questions raised by the FEC appear to fall within the executive rather than the policy phase of the land reform program, and that interference on the part of the FEC should be examined carefully to determine its validity.

3. Concurrence: GS (Brig Gen C.Whitney)

R. H. D._____2-3236

RESTRICTED

D
R
A
F
T

SECRET - PRIORITY

FROM : SCAP

TO : CSCAD ECOM

Reurad W 82889. In view of your assurance that the United States fully supports my authority and jurisdiction, I shall of course approve the third whaling expedition, but shall limit it to two factory ships to minimise in so far as possible resulting unfavorable reaction abroad. Actual authorisation will await notification from you that dispatch of notes referred to in your paragraph four has been accomplished.

MacARTHUR.