

~~SECRET~~

(b) To bring about the eventual establishment of a peaceful and responsible government which will respect the rights of other states and will support the objectives of the United States as reflected in the ideals and principles of the Charter of the United Nations."

4. Among the principal means for the achievement of these objectives this statement indicates the following:

"The Japanese people shall be encouraged to develop a desire for individual liberties and respect for fundamental human rights, particularly the freedoms of religion, assembly, speech, and the press. They shall also be encouraged to form democratic and representative organizations."

"The Japanese people shall be afforded opportunity and encouraged to become familiar with the history, institutions, culture, and the accomplishments of the United States and the other United Nations."

~~5.~~ ^{staff} The introductory paragraph of the President's ^{announcement} ~~statement~~ ~~is~~ in part:

"Such matters as are not included or are not fully covered herein have been or will be dealt with separately"

6. On 31 August SWNCC considered SWNCC 162/D, a memorandum by the Under Secretary of the Navy entitled "Positive Policy for Reorientation of the Japanese". The Committee concluded that there was need for a comprehensive report on the positive steps that should be taken in the reorientation of the Japanese in order to implement the objectives set forth in the basic statement of policy subsequently made public in the President's statement of 22 September 1945. The Committee directed its Subcommittee for the Far East to prepare such a report.

^{By directive of the Supreme Commander issued}
7. On 22 September 1945 a special staff division of ~~the~~ ^{Headquarters} Supreme ~~Commander~~ ^{was established,} designated as the Civil Information and Education

~~Section~~ ^{charged with} ~~was established in Tokyo to~~ ^{advise} the Supreme Commander on policies "relating to public information, education, religion and other sociological problems of Japan and Korea." The section is ^{is} charged with "expediting the establishment of freedom of religious worship, freedom of opinion, speech, press and assembly by the dissemination of ~~democratic~~ ideals and principles through all media of public information. It has the responsibility of making clear to all levels of the Japanese public the true facts of their defeat, their war guilt, the responsibility of the militarists for present and future Japanese suffering and privation and the reason for and objectives of the military occupation of the Allied Powers. It is also responsible for keeping the Supreme Commander factually informed of public reactions to the occupation and rehabilitation program in order to ensure a dependable basis for program formulation and modification of policies and plans".

RECOMMENDATIONS

8. It is recommended that:

(a) The SWNCC approve the "Conclusions" in paragraph 7 above.

(b) This report be transmitted to the War and Navy Departments for their information, to the State Department for implementation and to the United States representative on the Far Eastern Advisory Commission for his information and such disposition as he deems appropriate.

(c) The integrated program as developed by the State Department pursuant to the "Conclusions" in paragraph 7 above be submitted to SWNCC as early as possible for its consideration as a matter of ^{of} urgency.

File SWNCC paper

A-B - Mr. Benton

January 4, 1945

OIC - Frank A. Schuler, Jr.,

Responsibility for Japanese Reorientation

Reference is made to the paper on responsibility for Japanese reorientation under discussion by the ad hoc committee of the Far Eastern Sub-Committee of SWNCC. This paper sets forth clearly that the responsibility for program reorientation of the Japanese people is a matter of urgent priority and that the responsibility for such a program should be vested with the Department of State.

It will be recalled that this matter has been under consideration by SWNCC since August 1945. Both Army and Navy representatives on the Sub-Committee are in full agreement with the principle set forth in the paper. The ad hoc committee insists upon some further indication of the Department's attitude toward this matter before proceeding further. You are already aware of the urgent requirement for an early decision.

OIC: FASchuler^{sb}
cc: Mr. Stone
Mr. Leveria

November 16, 1945

~~CONFIDENTIAL~~
MEMORANDUM:

To: Mr. William T. Stone

From: Harold M. Vinacke

Subject: State Department relationship to information activity in Japan.

1. This memorandum covers a proposed plan for information activity in Japan. It is designed - 1. to clarify the present confusion concerning jurisdiction over the American information program - 2. to promote its more efficient operation.

2. The question of jurisdiction over American information activities is only one aspect of the overall problem of the relationship between the Supreme Headquarters under General MacArthur and the executive establishments of the American government. The entire relationship in Japan is abnormal from the standpoint of established American doctrine with respect to the proper relationship between the civil and military authority.

The conditions of the occupation make it inevitable that at present military authority be supreme in Japan, but it is none the less advisable to take no action which might have the effect of making the abnormal perpetuate itself as if it were the normal. It would conform more closely to American practice to withdraw all except purely military functions from supreme military direction, making the army the handmaiden of the civil authority rather than the reverse.

3. The situation regarding the control and operation of information activities is confused by the fact that there is a duality of responsibility. By Executive Order informational work abroad is a function of the State Department (IIS and OIC). Also by Executive Order, American informational work in Japan is a responsibility of the Allied Supreme Commander. Vesting such responsibility in the military branch is logical and natural. Because the Supreme Commander is responsible for the achievement of the overall aims of the occupation, he must have authority over the means to achieve them.

4. At the moment, the relationship between the IIS and Supreme Headquarters is one in which the Supreme Commander, through its Civil Information and Education Section, makes use of IIS personnel and materials on its own terms. The operative directives estab-

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 5(D) or (F)
Authority: NWP 7500 88
By CO/MA NARS, Date DEC 6 1974

- 2 -

CONFIDENTIAL

lishing information and education policies, as far as can be ascertained, are those of the Supreme Headquarters issued through and implemented under the direction of the general office in command of CIES. Personnel and materials (the latter available only through IIS) are supplied on the basis of what is essentially a system of requisitioning from IIS either directly or through War Department channels. This resolves the jurisdictional conflict, as a result of unilateral action, completely in favor of Supreme Headquarters. This relationship can be continued, if it is desirable, that, in the case of Japan, the State Department disregard its responsibilities in the field of international information as far as policy and operational planning are concerned. The question must be raised as to whether the War Department has the facilities for the effective recruiting of the required trained personnel, or for the supplying of the necessary information materials.

5. The plan here presented envisages the arrangement of an IIS partnership with the Army in CIES with the rights, duties and responsibilities of each participant satisfactorily and clearly defined. The attached proposal has been prepared to set forth in some detail our view of the nature of the work to be done in Japan and of an organization which might be expected to achieve the desired results.

6. Possible courses of action, other than the plan here presented, are:

a. The maintenance of the present system which, as has been pointed out, involves the partial disregard by the State Department of its responsibilities.

b. A complete withdrawal by the State Department from all aspects of the information and education work in Japan.

c. The conversion of CIES into a unit completely controlled and operated by the Department of State. This would not solve the fundamental jurisdictional problem but would merely have the effect of either bringing it into the public view or of taking it to a higher level of controversy.

d. The establishment in Japan of a State Department unit separate from CIES and engaged in activities complementing or supplementing, but not conflicting, with those of CIES. This would run the danger of being regarded as a competitive venture. To overcome this difficulty would be more of a task than that envisaged in the plans submitted.

November 16, 1945

~~CONFIDENTIAL~~
MEMORANDUM:

To: Mr. William T. Stone

From: Harold M. Vinacke

Subject: State Department relationship to information activity in Japan.

1. This memorandum covers a proposed plan for information activity in Japan. It is designed - 1. to clarify the present confusion concerning jurisdiction over the American information program - 2. to promote its more efficient operation.

2. The question of jurisdiction over American information activities is only one aspect of the overall problem of the relationship between the Supreme Headquarters under General MacArthur and the executive establishments of the American government. The entire relationship in Japan is abnormal from the standpoint of established American doctrine with respect to the proper relationship between the civil and military authority.

The conditions of the occupation make it inevitable that at present military authority be supreme in Japan, but it is none the less advisable to take no action which might have the effect of making the abnormal perpetuate itself as if it were the normal. It would conform more closely to American practice to withdraw all except purely military functions from supreme military direction, making the army the handmaiden of the civil authority rather than the reverse.

3. The situation regarding the control and operation of information activities is confused by the fact that there is a duality of responsibility. By Executive Order informational work abroad is a function of the State Department (IIS and OIC). Also by Executive Order, American informational work in Japan is a responsibility of the Allied Supreme Commander. Vesting such responsibility in the military branch is logical and natural. Because the Supreme Commander is responsible for the achievement of the overall aims of the occupation, he must have authority over the means to achieve them.

4. At the moment, the relationship between the IIS and Supreme Headquarters is one in which the Supreme Commander, through its Civil Information and Education Section, makes use of IIS personnel and materials on its own terms. The operative directives estab-

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority: AWO 750086By: CO/PA NARS, Date: DEC. 6, 1974

- 2 -

~~CONFIDENTIAL~~

lishing information and education policies, as far as can be ascertained, are those of the Supreme Headquarters issued through and implemented under the direction of the general office in command of CIES. Personnel and materials (the latter available only through IIS) are supplied on the basis of what is essentially a system of requisitioning from IIS either directly or through War Department channels. This resolves the jurisdictional conflict, as a result of unilateral action, completely in favor of Supreme Headquarters. This relationship can be continued, if it is desirable, that, in the case of Japan, the State Department disregard its responsibilities in the field of international information as far as policy and operational planning are concerned. The question must be raised as to whether the War Department has the facilities for the effective recruiting of the required trained personnel, or for the supplying of the necessary information materials.

5. The plan here presented envisages the arrangement of an IIS partnership with the Army in CIES with the rights, duties and responsibilities of each participant satisfactorily and clearly defined. The attached proposal has been prepared to set forth in some detail our view of the nature of the work to be done in Japan and of an organization which might be expected to achieve the desired results.

6. Possible courses of action, other than the plan here presented, are:

a. The maintenance of the present system which, as has been pointed out, involves the partial disregard by the State Department of its responsibilities.

b. A complete withdrawal by the State Department from all aspects of the information and education work in Japan.

c. The conversion of CIES into a unit completely controlled and operated by the Department of State. This would not solve the fundamental jurisdictional problem but would merely have the effect of either bringing it into the public view or of taking it to a higher level of controversy.

d. The establishment in Japan of a State Department unit separate from CIES and engaged in activities complementing or supplementing, but not conflicting, with those of CIES. This would run the danger of being regarded as a competitive venture. To overcome this difficulty would be more of a task than that envisaged in the plans submitted.

SECRET

- 3 -

and principles very thoroughly . . . The Report will be most helpful to the Civil Information and Education Section of my Headquarters in their further efforts to assist the Japanese Government in modernizing the Japanese educational system."

"The eventual reforms in education as worked out by the Japanese people will provide them with a system of learning that furnishes a thorough ground in the basic knowledge essential to their becoming a member of the family of nations dedicated to the promotion of world peace and respect for the fundamental human rights. The eventual form the education organization shall take will be that as adopted by the Japanese people in their endeavor to establish a peacefully inclined and responsible government in accordance with the Potsdam Proclamation."

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority AMP 750086By [Signature] NARS, Date DEC. 6 1974**SECRET**

~~RESTRICTED~~✓
✓
190

FE - Mr. Penfield

April 2, 1948

ADO - Mr. Schuler

Representation on SFE

Jim: Some months ago I spoke to you of ADO's interest in SFE of SANACC and the importance of some representation of ADO thereon. We have as you know contributed, from time to time when called upon, our services on ad hoc committees of SFE. The situation has never been formalized, however, and in the interest of uniformity and the best amount of integration under the present organization of the Department, (OE and yourselves being formally represented), it would seem to me helpful to all concerned if I could be formally appointed to SFE representing ADO and the cultural and information side of the Department on matters coming before this sub-committee.

cc: NA-Mr. Allison

~~DECLASSIFIED~~~~E.O. 11652, Sec. 3(E) and 5(D) or (E)~~
Authority NND 750096
By [Signature] NARS, Date DEC 6 1974

ADO:FA Schuler, Jr./rk

4/2/48

~~CONFIDENTIAL~~~~RESTRICTED~~

*Ado/Mr. Schuler**Mr. Holloman to not return
Mr. Schuler*

9 July 1948

OIC OCCUPIED AREAS DIVISION

(ADD)

JUL 12 1948

DEPARTMENT OF STATE

*JH Branch*O - Mr. Saltzman
All O Officers

I am informed by Col. Paxson that Secretary Royall has today issued oral instructions and is following it up with written instructions to interested Army Department offices that work should be resumed at once by the Army Department with the State Department on occupied areas matters which are before SANACC. This work should be considered to be between State and Army outside of SANACC and negotiations on the papers should be brought to a conclusion if possible. Mr. Royall has asked that important papers be brought to his attention in the absence of Mr. Draper.

Col. Paxson feels this will allow prompt Army Department decision on the substance of all matters which have been in SANACC and been held up. He made it clear, however, that the Army Department would look with considerable strictness on proposals to take action in the Far Eastern Commission. He said that the Army Department would endeavor to reach a conclusion on all such matters without delay.

Col. Paxson said that Army is contemplating using the SANACC 204 series paper on German Restitution as a first paper to be handled outside of SANACC in a State-Army relationship. He said Army contemplates processing this paper on which there has been no disagreement to Secretary Royall for final Army approval, and that if it is then approved by the Department of State, Army would send it to the theatre through an appropriate channel. Army is evidently not decided what that channel should be. I said that the State Department was agreed to any reasonable method of handling these papers for the time being so long as they were disposed of promptly. I added that I felt both State and Army should understand, however, that any particular method of handling was not to be regarded as a precedent for a future standard operating procedure. He agreed.

FE
F. P. Claxton, Jr.cc: NA - Mr. Allison OK - Mr. Barnett
CE - Mr. Bean ADO - Mr. Schuler

COPY

~~CONFIDENTIAL~~

ADD-Mr. Schuler

12 July 1948

OIC OCCUPIED AREAS DIVISION
(ADD)

JUL 15 1948

DEPARTMENT OF STATE ✓

MEMORANDUM TO: Mr. Draper
Mr. Voorhees
General Bradley
Major General Maddocks
Major General RoseSUBJECT: Processing of State and Army Occupied Areas Staff Studies
Outside of SANACC Procedure

1. Mr. Royall desires that various occupation matters, now pending as SANACC or SWMOC papers, be removed from consideration by SANACC and discussed at working levels by Army with State representatives. Upon the achievement of tentative agreements at working levels between Army and State, the matters should be referred through normal staff channels, to Mr. Royall personally (pending Mr. Draper's return) for final Army concurrence.

2. Mr. Saltzman of the State Department has likewise agreed to a procedure, comparable to the above, within the State Department.

3. Finally-agreed State-Army positions could then be transmitted to appropriate Occupied Area U. S. Commanders in accordance with existing JCS procedures, for information, guidance or implementation as appropriate. Submission to the Far Eastern Commission of agreed U. S. positions on Far Eastern Occupied Area matters would be discussed between State and Army at Secretarial or Under-Secretarial level at the time of final State-Army approval.

4. It is requested that Mr. Royall's desires in the above matter be implemented; in particular, SANACC 204/33, "Restitution from Germany to Countries formerly under German Occupation," and SANACC 369/1 "Treatment of Japanese Domestic and Foreign Patents", should be processed without delay.

cc Mr. Claxton (State Dept)

H. C. Paxson
Colonel, GSC
Military Assistant, S/A~~DECLASSIFIED~~E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority: NND 750086
By: CO/JP NARS, Date: DEC 6 1974~~CONFIDENTIAL~~~~CONFIDENTIAL~~

MEMORANDUM FOR THE SECRETARY, STATE-WAR-NAVY
COORDINATING SUBCOMMITTEE FOR THE FAR EAST

Subject: Policy for the Interchange of
Persons Between Japan and Other
Countries.

It is recommended that SFE 183/1 be withdrawn from consideration of the Subcommittee and that the following changes be incorporated in SFE 183, 31 December 1946, "Policy for the Interchange of Persons Between Japan and Other Countries", as amended 3 January 1947:

Page 2, Subparagraph d, to read:

"No interchange for the purposes of this program shall be effected of persons who will engage in political or commercial activities."

Page 3, Subparagraph g, first sentence, to read:

"The general program shall be prepared by SCAP in consultation with the State and War Departments and with the foreign governments concerned."

Page 12, Paragraph 3, second sentence, to read:

"Until such a time, however, as interchange can be placed largely on a private basis, SCAP, in consultation with appropriate U.S. governmental agencies and with the foreign governments concerned, should have the responsibility for formulating and executing a positive program of interchange of persons which will provide the Japanese with knowledge of the achievements of democratic nations."

Hugh Borton
Acting Chairman

ADO:DCBuchanan
JA:HBorton:mls

1-16-47

FE

~~SECRET~~

COPY NO. 10

[Handwritten mark]

A COUNTRY REPORT ON
BURMA
TO THE
SPECIAL AD HOC COMMITTEE
BY THE
SUBCOMMITTEE FOR THE NEAR AND MIDDLE EAST

AUG 11 1947
[Faint stamp text]

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority NND 750086
By CP/AA NARS, Date DEC 6 1974

~~SECRET~~

~~SECRET~~STATE-WAR-NAVY COORDINATING COMMITTEESPECIAL AD HOC COMMITTEE

Reference: SWN-5278

BURMABACKGROUND

I. ANALYSIS OF THE SITUATION IN BURMA.

1. Basic Forces

A. Political

Burma's present Interim Government which was established as a result of the Anglo-Burmese London agreement of January, 1947 has as its legal basis Section 139 of the Government of Burma Act, 1935 (a section which permits the Governor in an emergency to assume most of the powers of the Government of Burma). The Interim Government has in practice, however, by consent of the British virtually full autonomy. It is headed by Aung San who is also head of the Anti-Fascist Peoples' Freedom League (AFPFL), members of which hold all the portfolios in the present government.

An election was held on April 9, 1947 in which the AFPFL won 191 of a total of 210 seats in the Constituent Assembly, the body responsible for framing Burma's new constitution. Of the remaining 19 seats the Communists won 7 and non-party candidates 12. These results indicate that the AFPFL is by far the strongest political party in Burma although the League's popular support is doubtless not as great as its success at the polls would suggest.

The League, whose position is moderately left of center, is opposed from both the left and the right. The opposition from the right consists of a loose coalition of prewar parties headed by old-line politicians. These parties have very little popular support, no positive program, and are united only by their dislike of Aung San and the AFPFL. They constitute no threat to the continuance of the League's power. From the left the AFPFL is opposed by Burma's two Communist parties:

~~SECRET~~

The Burma Communist Party (the "White Flag" Communists) headed by Than Tun and Thein Pe, and the Communist Party (Burma) (the "Red Flag" Communists) headed by Thankin Soe. The latter party which is the more extreme has been banned, but continues an active existence underground.

The relations between the League and the "White Flag" Communists are somewhat obscure. There have from time to time been rumors and other indications of a possible rapprochement between the Burma Communist Party and the AFPFL ever since the two separated in October, 1946, but despite the fact that there is some personal contact between Aung San and Than Tun the breach between the League and the Communists has tended to widen. It is reported that Aung San has recently been threatening to extend the ban against the Communist Party (Burma) to the "White Flag" Communists.

Although there is no proven direct contact between Burmese Communists and the USSR, the Burma Communist Party may be presumed to be in fairly close touch with the Communist Party of India because of the fact that the Burmese Communist newspapers faithfully reflect the International Communist Party line. Than Tun has been accused of taking orders from Joshi, the General Secretary of the Communist Party of India. This seems likely and there can be no doubt that the Burmese Communists draw inspiration, advice and moral support from their comrades in India. There are also said to be contacts between Burmese and Chinese Communists, but if such exist their nature is obscure and their significance unknown.

The Communists, although far less strong than the League, nevertheless enjoy greater popular support than their meager success in the April elections would suggest. The Government of Burma for which the League is now fully responsible is compelled by the present situation to take rigorous, and consequently generally unpopular, measures against such conditions as lawlessness, strikes, and the non-payment of rents and taxes. It is possible that the Communists may be able

~~SECRET~~

~~SECRET~~

to utilize the unpopularity of these measures to alienate sufficient support from the League to embarrass, or even to cause the collapse of, Aung San's Government. Should this occur a chaotic condition would ensue as neither the Communists, nor any other party, nor coalition of parties, would then be able to form a stable government. Burma's political progress and economic rehabilitation are, therefore, for the next 3 to 5 years dependent upon the continuance in power of the AFPFL, the only stable party other than the Communist.

Burma's Constituent Assembly convened on June 10, 1947. As a draft of the new constitution has already been drawn up by AFPFL leaders the Assembly's deliberations are not likely to be prolonged and it is proposed to have the new constitution ready for submission to the British Parliament before that body adjourns in October. Inauguration of the new constitution at or before the beginning of 1948 seems probable.

B. Economic

The Government of Burma is heavily in debt; the country's 1947 budget shows a huge deficit; the national economy which was completely disrupted by the war has been only very partially restored; and extensive reconstruction and rehabilitation are still necessary.

Most of the lines of the Burma Railways are once more in use, but only to a limited extent because of the poor condition of the roadbed and the shortage of locomotives and rolling stock. River transport has also been only partially restored. Motor transport, however, has regained, or possibly even surpassed, its prewar level.

Burma's industrial installations were severely damaged during the war and have as yet been only very partially restored. Agriculture which is Burma's chief occupation suffered greatly as a result of the war. It is recovering steadily but is still far from normal. The 1946-47 rice crop amounted to 3,885,500 tons of paddy, an increase of more than a million

~~SECRET~~

~~SECRET~~

one hundred thousand tons over the 1945-46 crop of 2.7 million tons, but less than half the record 1940-41 production of more than 8 million tons.

Burma is scheduled to export 8 to 9 hundred thousand tons of rice in 1947 which is roughly one quarter of Burma's prewar annual export of 3.5 million tons of rice. Rice will be Burma's only important export during 1947, although doubtless some tin, tungsten and timber will also be exported. There will, however, be no lead, silver or petroleum sent abroad, all of which were important exports before the war. Despite the greatly reduced volume of Burma's exports in 1947 their value (approximately 355 million rupees or £ 25 million) due to the high price of rice will probably amount to more than half the prewar value of the country's exports.

Prices which were extremely high immediately following the reoccupation declined gradually during 1946. At the end of December, 1946 the price index (based on 1941) had fallen to 282, but since that time there has been a slight rise in prices.

Following the reoccupation of Burma the British Government made available to the Government of Burma a credit of £ 85.4 million (frequently incorrectly referred to as an £ 87 million loan) for use during the fiscal years 1945-46 and 1946-47. As of the end of April 1947 only about £ 44 million had actually been utilized and of this, apparently, all but £ 8.5 million had been repaid.

It was announced early in April that the Burma budget for the year ending September 30, 1947 showed a deficit of more than Rs. 1,072,000,000 (approximately \$321,600,000) made up as follows: revenue deficit (deficit on the ordinary budget) Rs. 192,290,000; government loans to agriculturists Rs. 306,688,000; capital expenditures and expenses for rehabilitation Rs. 573,400,000. This deficit does not include Burma's outstanding debt to India of Rs. 481,455,000, nor Burma's contribution to the British Government for defense

~~SECRET~~

which is assessed at Rs. 90,000,000. The estimated income of the Government of Burma is Rs. 536,178,000 made up of revenue, Rs. 253,199,000 and returns from loans Rs. 282,990,000.

An Anglo-Burmese financial agreement was concluded in May 1947 the terms of which provide that the British Government will contribute an amount not exceeding 16 million pounds (approximately 160 million rupees) to Burma's ordinary budget and make an interest free loan for rehabilitation of 18,375,000 pounds. This loan presumably replaces the unutilized portion of the original British credit of 85.4 million pounds.

It would appear from the foregoing figures that even after taking into account British financial aid the Burma budget will still show a deficit of more than 250 million rupees, the greater part of which will be on account of expenditures for reconstruction and rehabilitation.

Notwithstanding the extent of Burma's devastation, the slowness of rehabilitation, and the present budgetary difficulties of the Government of Burma there is every reason to expect the gradual restoration of Burmese economy during the next few years provided political stability and effective administration can be maintained. A steady increase of exports of rice, timber, tin and tungsten may be anticipated, and within five years Burma's oil fields and refineries should again be in operation. The eventual restoration of a favorable balance of trade appears assured although it may be some years before Burma again enjoys as favorable a balance as it did before the war.

2. Objectives of Other Great Powers.

A. Great Britain

It now appears nearly certain that British efforts to retain Burma as a willing partner within the British Commonwealth have failed and that the Constituent Assembly will vote for Burma's complete independence. The British will

~~SECRET~~

doubtless endeavor to establish close and friendly relations with independent Burma by negotiating treaties of friendship, commerce, and military aid as favorable to themselves as possible. They likewise desire Burma's cooperation in the British Empire defense system. Britain hopes to retain Burma within its sphere of influence, to guide Burma's foreign policy, and to exert some influence on the country's internal affairs. Britain will also seek safeguards and preferences for British commercial interests in Burma. In implementing these objectives Britain will take advantage of the long-established connections between the two countries, Burma's need for a powerful ally and spokesman, and the country's economic dependence on, and financial obligations to, the UK.

B. India.

India is as yet too much occupied with internal problems to have formulated any policy with respect to Burma, but there is an increasing tendency among Indians to regard Burma as a field for Indian exploitation and an area to be brought within the Indian ambit. India's immediate objectives with respect to Burma appear to be (1) the conclusion of a satisfactory agreement with respect to Indian immigration into Burma, (2) the safeguarding of the political and economic rights of Indians resident in Burma, (3) the negotiation of an agreement relating to Burma's debt to India, (4) the obtaining of an equitable settlement for the Indian money-lenders, and (5) the procurement of adequate quantities of Burma's rice.

C. China.

China like India is too disturbed internally to give much thought to Burma. Chiang Kai-Shek has denied that China has any designs on Burma, but the Burmans are nonetheless fearful of Chinese expansion either by force of arms or peaceful penetration. The imperfectly defined China-Burma border is likely to become a source of contention between the two countries.

~~SECRET~~

~~SECRET~~

D. Russia

Russia presumably has no specific policy toward Burma, its policies toward that country being the same as those for South East Asia generally.

II. ANALYSIS OF ASSISTANCE ALREADY RECEIVED.

The only assistance which Burma has already received from the US is that given by the Surplus Property Settlement signed in London on February 28, 1947. This settlement was based on the desire of the US to make a reasonable and useful disposition of its surplus property in Burma and on a consideration of Burma's need and limited ability to pay.

According to the terms of the settlement Burma received goods, whose value when new was between 15 and 20 million dollars, for the sum of five million dollars to be paid over a twenty year period. All or most of this sum will be paid in Burmese currency and will be expended locally for the purchase of real estate for the use of the US Government and for the implementation of the Fulbright program in Burma.

No economic assistance to Burma is now pending or contemplated, but the Burmans have unofficially expressed their hope that the US will support a Burmese application for a loan from the International Bank. The amount that might be requested was not indicated.

The goods made available to Burma by the Surplus Property Settlement, particularly the locomotives, have contributed materially to the rehabilitation of Burma, but they constitute only a small part of the aid in reconstruction which Burma has received and a still smaller part of the total aid needed.

The Surplus Property Settlement was on the whole fairly well received in Burma and appreciation for American generosity was expressed, but in some quarters doubts and suspicion of ulterior motives were voiced.

~~SECRET~~

~~SECRET~~

III. OBJECTIVES OF THE US IN BURMA.

The US desires the continuance of Burma's constitutional progress in accordance with declared British policy and the desires of the Burmese people, which envisage the expeditious, peaceful and orderly attainment of full self-government by Burma either within or without the British Commonwealth of Nations as the Burmese people prefer. The US further desires that the Government of Burma should be stable, democratic, pacific, friendly to its neighbors and to the US, and free from the undue influence of any foreign power or international communism. It is an objective of the US that the Government and people of Burma should understand and cooperate with the policies of the US and develop confidence in American democratic institutions. The US regards the speedy restoration of Burma's war-shattered economy to at least its prewar level as highly desirable both as an element in the restoration of world economy and as a means of promoting the country's political stability.

PROGRAM

IV. MEANS OF REACHING US OBJECTIVES IN BURMA.

As Aung San and his party, the AFPFL, alone appear likely to be able to bring about those conditions in Burma which the US desires, the implementation of US policy must in fact consist in strengthening as far as legitimately possible the stable government now in power. To this end the US has already agreed to exchange diplomatic representatives with the Government of Burma even during the present interim period. The Government of the US has also taken occasion to express its satisfaction with the London agreement of January, 1947 which established the present Interim Government of Burma and to felicitate the Constituent Assembly which convened on June 10, 1947 to draw up Burma's new constitution. The US should continue by appropriate diplomatic means to support the current regime. It may nevertheless be advisable for US representatives in Burma to seek suitable occasion tactfully and informally to urge upon Aung San

~~SECRET~~

~~SECRET~~

the desirability of avoiding any type of action which might give color to the charges of those of his political opponents who accuse him of fascist tendencies.

The Burmans have shown a great desire to participate in world affairs and to join the UN and other international organizations. As such participation and membership will enhance the prestige of Aung San's government with the Burmese people the US should cordially support British initiative in securing Burma's membership in the UN and other international organizations.

The US should provide upon request limited technical, informational and cultural assistance to Burma, including education in the US for promising Burma students.

A further means of strengthening the AFPFL government of Burma in view of its present financial difficulties would be a loan, in particular a dollar loan, from US or international sources. From both the Burmese and US points of view a loan from an international source is preferable. The Burmans are jealous of their independence and suspicious of strings which may be attached to foreign aid. They would therefore prefer if possible not to borrow from any nation which might use the loans as a means of penetration or obtaining a preferred position. Burmese Communists and the Burmese Communist press, joined probably by certain other newspapers and political leaders opposed to the AFPFL, will certainly condemn any form of economic aid from the US as "dollar imperialism". A loan from an international source would have the advantage from the point of view of US policy of obviating, or at least minimizing, the opportunity for attacks of this sort upon the US. The US Government should, therefore, support any application made by Burma to the International Bank for a loan of reasonable size provided the AFPFL government can give evidence of its ability to stabilize the country's administration and economy.

~~SECRET~~

~~SECRET~~

Should it prove impossible for Burma to obtain a loan from the International Bank -- a contingency which seems unlikely in view of the fact that Burma, given political stability, appears to be a better "business risk" than many of the countries currently receiving loans from international and US sources -- efforts should be made to assist Burma in obtaining a loan from the Export-Import Bank, and failing this an allocation of analogous aid. These alternatives are, however, considerably less desirable than a loan from international sources for the reasons indicated above.

In order to better assure that any financial aid will enable the Burmese economy to adjust itself to present day conditions with a minimum of delay and at the same time contribute to long-range stability of the country, such program of expenditure should be based upon a maximum of indigenous initiative. Steps should also be take to enable Burmans to make appropriate contacts with American suppliers of machinery and with American technical skill.

V. MAGNITUDE, ANTURE AND TIMING OF THE MEASURES REQUIRED WITHIN THE NEXT THREE TO FIVE YEARS TO REACH US OBJECTIVES IN BURMA.

The available evidence indicates that Burma will need a loan of one to two hundred million dollars within the next three years in order to regain her economic position of 1941. This loan might be made available in installments as follows:

<u>Total</u>	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
100,000,000	50,000,000	37,500,000	12,500,000
150,000,000	75,000,000	50,000,000	25,000,000

Under the provisions of the Fulbright Act, it is anticipated that \$200,000 per year, over a period of 20 years, will be expended in Burma rupees to finance studies, research, instruction and other educational activities of or for citizens of Burma in American schools outside of the US and US possessions.

~~SECRET~~

~~SECRET~~

The Mundt Bill will make possible the appropriation of US funds for the exchange of students, teachers, trainees, technical experts; for assistance to schools, libraries, and community centers in Burma; and, for the dissemination in Burma of information about the people, institutions and policies of the United States.

VI. PROBABLE AVAILABILITY OF ECONOMIC AID FROM EXISTING SOURCES UNDER PRESENT POLICIES.

If a Burmese application for membership in the International Bank is successful, Burma should be able to qualify on economic grounds for a loan from that Bank. However, in the absence of International Bank aid, it is possible that moderate credits for sound economic projects could be obtained from the Export-Import Bank. There is virtually no probability of the successful flotation of securities in the New York market by the Government of Burma. Several American businessmen have shown some interest in establishing connections with Burma. Some technical aid may, therefore, be available to the Burmans without US Government assistance.

It is unlikely that large US direct credits will be made available to Burma since no case exists for such credits on political and strategic grounds.

It appears unlikely that the UK will within the next few years extend any further credit to Burma beyond that already provided by the May, 1947 financial agreement. Moreover, in view of the Great Britain's own financial difficulties it seems evident that the US would be the original source of any loan which the UK might make to Burma. It is desirable that any sum lent to Burma of which the original source was the US should be made through the agency of the International Bank or the Export-Import Bank rather than through the British Government in order that credit for the loan may be properly placed.

~~SECRET~~

~~SECRET~~

VII. ADDITIONAL MEASURES REQUIRED FROM THE UNITED STATES.

It is unlikely that any US aid in addition to those contingent measures discussed above will be required for the attainment of US objectives in Burma.

VIII. NATURE OF ARRANGEMENTS WITH THE GOVERNMENT OF BURMA TO ASSURE THE ACCOMPLISHMENT OF OUR OBJECTIVES IN TAKING SUCH MEASURES.

On the assumption that all or most of the financial aid required by Burma can be secured from the International Bank, or similar organization, no special arrangements with the Government of Burma appear to be required. Any special arrangements with the Burmese Government should be held to a minimum in order to avoid the appearance of encroachment on Burmese sovereignty.

IX. EFFECTS UPON BURMA AND UPON US FOREIGN POLICY OF US REFUSAL TO GRANT AID OR FAVOR A PROGRAM UNDERTAKEN.

Failure of Burma to secure substantial loans from the International Bank or other British and American sources would probably result in prolonging the present adverse economic situation in Burma. Failure to remedy the present situation would be unfavorable to the continuance of the present regime, and hence to political stability. The perpetuation of economic distress and the weakening of governmental authority might enable the Communists to increase in strength, and might eventually result in the appearance of a Communist-dominated government whose formation would greatly weaken the position of the US and the UK in Southern Asia, and give the Soviet Union a base for the propagation of Communist Ideology in that area.

X. POSSIBLE EMERGENCY SITUATION WHICH SHOULD BE ANTICIPATED AND RECOMMENDED COURSE OF ACTION OF THE UNITED STATES.

None.

~~SECRET~~

~~SECRET~~

SUMMARY OF ANALOGOUS AID
PAPER FOR BURMA

Burma's present interim government has in practice virtually full autonomy, although the British Governor may assume full powers in an emergency. The Anti-Fascist People's Freedom League (AFPFL) holds all portfolios in the Government as a result of sweeping the April 1947 elections to the Constituent Assembly. This party is moderately left of center, the chief opposition being two communist parties at least one of which appears to be in touch with Moscow through the Indian Communist Party.

Communist strength is probably greater than meager communist successes in the April elections would suggest. Moreover, the necessity for the AFPFL to take strong measures against lawlessness, strikes, and non-payment of rent and taxes may cost it loss of further popular support which may go to the communists. There is no party to the right of the AFPFL which has any prospect of forming a stable government.

Burma's constituent assembly is now meeting and is expected to present a constitution to the British Parliament in August.

Burmese economy was completely disrupted by the war, and the 1947 budget shows a huge deficit in the face of extensive reconstruction and rehabilitation needs. Agriculture was least damaged by the war but loss of cattle, deplorable transport conditions, and lack of law and order in many places cause the present rice export to be approximately 1/4 of normal. Mineral exports have been even harder hit by demolition and bombing of refineries, etc. There is no apparent danger of runaway inflation, but prices have started to rise again after falling to about three times the 1941 level. Heavy British loans have been made to bolster the Burmese economy. Burma's long run prospects for economic recovery are excellent as the sources of rice, timber, tin, and tungsten have not been permanently damaged.

~~SECRET~~

~~TOP SECRET~~
~~SECRET~~

British efforts to retain Burma as a willing partner within the Commonwealth have apparently failed and the constituent assembly will probably insist on complete independence. Britain may nevertheless retain Burma within its sphere of influence.

There is an increasing tendency among Indians to regard Burma as a field for Indian exploitation and an area to be brought within the Indian ambit. Burmans resent this attitude. Burmans are also fearful of Chinese aggression, but China is too disturbed internally to be of much immediate concern to Burma.

The surplus property settlement concluded between the United States and Burma on February 28, 1947 provides that the rupee equivalent of \$5,000,000 will be paid over a twenty year period to the United States Government for buildings and for educational exchange under the Fulbright Act. Burmans have unofficially expressed their hope that the United States will support a Burmese application for a loan from the International Bank.

The United States desires the continuance of Burma's constitutional progress and that the Government and people of Burma shall understand and cooperate with the policies of the United States and develop confidence in democratic institutions.

In the absence of any practicable alternative, the United States will support, by all appropriate means, existing Government. We have agreed to exchange Ambassadors with Burma, and we shall support British initiative in securing Burmese membership in the United Nations and to the international organizations. Limited technical, informational, and cultural assistance should be provided by this country. It is preferable, however, that any loan should be made by the International Bank although it is possible that special circumstances may dictate the necessity of a loan from the Export-Import Bank. Burma appears to need to borrow at least two to three million dollars for rehabilitation in the near future. The basic soundness of Burmese economy suggests the possibility of securing a loan from the International Bank on strictly economic grounds.

~~TOP SECRET~~
~~SECRET~~

~~SECRET~~

Failure of Burma to secure substantial loans from the International Bank or other British or American sources probably would result in prolonging the present economic situation in Burma with very serious repercussions in the fields of politics and law and order. Should the Communist menace become considerably more apparent than it is at present or should either India or China become Communist, it is possible that military equipment, technicians, and training for the Burmans may be called for following the pattern of Greece, Turkey, and Iran. This seems a rather remote possibility at present.

~~SECRET~~

STANDARD FORM NO. 64

*file: SWNCC**Office Memorandum* • UNITED STATES GOVERNMENT

TO

FE/ Mr. Blakeslee
INI/ Mr. Begg ✓

DATE:

August 17, 1945

FROM :

FE/ HBorton

SUBJECT:

Paper on "Media of Information".

Attached is a revision of the above ap paper in line with the discussion held between Col Babcock, Mr. Begg and myself.

In view of Japan's surrender, I assume further revisions will be necessary. I learned this morning that OWI has already sent a directive to the field in reference to "Media of Information" and have asked the secretary of the SWNCC Subcommittee on the Far East to obtain a copy of the directive. When we have seen this directive we will be in a better position to know whether a new directive should be written as an appendix to our paper or whether the present directive is in line with the policy outlined in the paper.

HB

International Information
Division
AUG 21 1945
Department of State

SECRET

SFE _____

20 August 1945

2nd Draft

Mr. Begg~~SECRET~~STATE-WAR-NAVY COORDINATING SUBCOMMITTEE FOR THE
FAR EASTCONTROL OF MEDIA OF PUBLIC INFORMATION AND EXPRESSION IN JAPANReferences: a. SWNCC 91
b. SWNCC 162/DTHE PROBLEM

1. To determine the policy of the United States in regard to the control, and employment, by military government, of media of public information and expression in Japan.

FACTS BEARING ON THE PROBLEM

2. In accordance with the request contained in SWNCC 91, the Department of State has expressed its views on the above subject. The State Department paper has been considered and used by the Subcommittee for the Far East in the preparation of this report.

3. SWNCC 162/D, Positive Policy for Reorientation of the Japanese, recommends, in paragraph 11, "Recommendations," the State-War-Navy Coordinating Subcommittee for the Far East review all SWNCC papers relating to Japan and undertake appropriate amplification and integration thereof in the light of the discussion and conclusions in SWNCC 162/D.

DISCUSSION

4. See Appendix A.

~~SECRET~~

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority AND 750086
By CD/PA NARS, Date DEC 6

1974

~~SECRET~~APPENDIX ADISCUSSION

1. The press is the most popular medium of public information in Japan. Prior to 1937 the number of daily papers was over 1,000. Weekly and semi-weekly newspapers were published in even greater numbers. Individual daily papers claimed circulation upward from 4,000 to 2,000,000, with a total circulation of almost 7,000,000. The large dailies of Tokyo and Osaka circulated nationally through the publication of provincial editions. They are comparable to large Western papers in news coverage, equipment, and public service activities. Other Japanese newspapers confine themselves largely to local events. Although this characteristic of the Japanese press would greatly facilitate censorship and other controls it naturally tends to discourage free competition.

Domei, the government-sponsored monopoly news agency, was organized in 1936 along the lines of the British Reuters.

Under wartime conditions the number of daily newspapers has decreased to less than 200. The size and number of editions have been reduced and local papers merged with the provincial editions of the metropolitan newspapers.

The Japanese press has always been subject to government control which has taken this form of licensing, withholding of news, confiscation and suspension of publications, fines and even imprisonment of offending editors. Centralized control has recently been vested in the Board of Information.

~~SECRET~~

2. Prior to 1941 books and magazines were published in greater numbers in Japan than in the United States. The government also issued a substantial number of publications primarily factual but also utilized to present the government's views. Many Japanese periodicals were of a high standard. Wartime shortages and government pressure have drastically curtailed the number of publications of private firms.

Publishing firms are licensed by the Home Ministry and periodicals discussing current events are required to deposit guarantee money with the appropriate government office. Periodicals are sent to the local police at the time of publication, while books are subject to pre-publication censorship.

Magazines and books, while secondary to newspapers as media of public information, are important as a channel for information, as an instrument for the stimulation of new ideas, and as a means whereby the Japanese themselves can develop new political, social, and economic concepts.

3. There were more than 6,000,000 medium wave radio sets in Japan prior to 1941. Short wave sets were strictly and effectively prohibited to the general public. The network covering the main islands is organized around seven central stations: at Tokyo, Osaka, Nagoya, Hiroshima, Kumamoto, Sendai and Sapporo. The facilities of these central stations are excellent but the equipment of local stations is limited and they operate on very low power.

Broadcasting in Japan is the monopoly of the government-controlled Japan Broadcasting Corporation, financed primarily by compulsory fees paid by all set owners.

~~SECRET~~

Over-all program policy is formulated by a Corporation committee on which appropriate government departments are represented. Operations are probably controlled by the Communications Board. Radio scripts are subject to pre-broadcast censorship, and programs can be cut while they are on the air.

In 1936 programs consisted of 25 percent information and news broadcasts; 26.2 percent political and morale talks, including the women's hour and religious programs; 9.8 percent music; 8 percent entertainment; 11.8 percent broadcasts from abroad; plus miscellaneous items such as physical exercises, children's programs, weather reports. The purely entertainment programs have been curtailed during the war, while news and talks have increased. Advertising and political campaign speeches are prohibited. Serial stories, quiz programs and amateur hours are unknown.

4. Japan at one time produced more feature films than any other country, almost entirely for the domestic market. Wartime restrictions and shortages reduced production from 600 in 1928 to 84 in 1942. Artistic standards have improved. Musical, entertainment and foreign films were popular. Since 1938 the content of films has become increasingly nationalistic. The number of companies producing feature films has been reduced from sixteen in 1928 to three in 1945.

In 1937 Japan had about 2,000 permanent theaters and facilities for showing films in 78,000 additional outlets. War has undoubtedly reduced both figures.

~~SECRET~~

Newsreels were produced and distributed by the large newspapers; documentary and educational films (widely used in schools), by newspapers, the Ministry of Education and the Board of Information. Apparently Domei has also become a producer of such films.

Control of content, production, distribution and exhibition of films has become highly centralized under the supervision of the Board of Information. Japanese producers have been subject to strict censorship of subject, scenario, revision and finished films. There has always been strict moral and political censorship of foreign films.

5. Before 1941 the legitimate theater was centered in large urban areas. The war has reduced normal theatrical activities. However, theatrical troupes have increasingly toured both Japan and Japanese-occupied areas.

The two main forms of drama are the Noh and Kabuki. The highly stylized Noh plays have limited audience appeal. Kabuki, the classical, popular drama, has wide appeal. In general, Noh drama is less nationalistic than Kabuki.

Musical revues based on Western models, popular before the war, have been reduced since 1941 and used only to entertain war workers and troops.

6. While it is desirable that military government use to the greatest extent possible the media of public information and expression in Japan to achieve its objectives and to prevent the revival of Japanese militarism, it is recognized that any program for the control of public information and expression must be designed so that it can actually be undertaken by military government. It is

~~SECRET~~

envisaged, therefore, that military government will utilize Japanese personnel and Japanese organization as much as possible in achieving or in carrying out the program outlined in Appendix C. The number of adequately trained personnel available to military government will necessarily be limited. Consequently, the main task of such personnel will be supervisory and the extent of this supervision will be in direct proportion to the amount of control this military government will have over Japan or over the Japanese Government.

CONCLUSION

5. It is concluded that:

- a. The general objectives of post surrender control of media of public information and expression in Japan should be those contained in Appendix B.

Follow with page 10.

~~SECRET~~APPENDIX B

1. The general objectives of control and employment, by military government, of media of public information and expression in Japan should be the following:

a. Immediate

1. To assist and facilitate military government by providing media and materials for communicating orders, explaining operations, and securing compliance and cooperation with military government.
2. To inform the people of Japan of the purposes of the United Nations in occupying Japan.

b. Long-term

1. To eliminate among the Japanese the influences and doctrines of militarism and aggressive nationalism.
2. To develop a sense of individual political responsibility among the Japanese and the re-orientation of their political thinking.
3. To inform the people of Japan of the ideals, concepts and principles of the United Nations as expressed in the Charter of the United Nations; and to encourage them in the development of an international as opposed to a national outlook.
4. To encourage the development of Japanese organizations and policies in the information field which will, in the post-occupation period, promote freedom of information and of expression, develop a sense of responsibility for the proper use of these freedoms and increase popular participation in the discussion and decision of public issues.

~~SECRET~~

5. To foster the recognition of such principles as the following:

a. That men and nations owe obligations to each other; and that these responsibilities are not limited to a single race, nation, or group.

b. That the dignity and integrity of the individual must be respected by society and other individuals; and that the individual is not merely a tool of the state.

c. That citizens bear their share of responsibility for public policy and that they have the right and duty to participate in government resting on the consent of the governed.

d. That free communication between individuals, groups and nations is a necessary condition for the dissemination of truth and for national and international understanding.

e. That toleration of the culture of other peoples is the basis of national and international tranquility.

6. To create an understanding among the Japanese people that the failure to recognize these principles facilitated the development of aggressive nationalism and contributed to Japan's disaster.

~~SECRET~~

5. b. To achieve the general objectives outlined in Appendix B, ^{the occupation authorities} ~~a military government~~ should, wherever feasible, follow the program as indicated in Appendix C.

RECOMMENDATIONS

6. It is recommended that:
- a. This report be forwarded to the Joint Chiefs of Staff for comment from a military point of view;
 - b. The above conclusions be approved by the State-War-Navy Coordinating Committee and the report transmitted to the Joint Chiefs of Staff, and to the State, War and Navy Departments for their guidance.

~~SECRET~~APPENDIX CCONTROL PROGRAMSECTION I: CONTROL OF PUBLIC INFORMATION

1. The steps indicated in this section are those necessary from the initiation of military government to its dissolution. Some of these steps may already have been taken by occupation authorities prior to the post-surrender period. The portions of this program still to be implemented in any locality will therefore depend on the stage of military government already attained in that locality at the time of full surrender.

2. Emergency Period

- a. All Japanese information operations and controls should be suspended, and military government should immediately provide information through available facilities.
- b. Local information operations initiated by occupation authorities prior to surrender may be continued.
- c. Reconnaissance of Japanese information services and personnel should be undertaken to determine the basis on which Japanese information services could be licensed to operate, and to discover Japanese to whom may be intrusted the reestablishment of Japanese information services under military government supervision.

3. Post-emergency Period

- a. As rapidly as conditions permit direct control should be relaxed. Military government should

~~SECRET~~

then authorize the establishment under appropriate regulations of information services operated and directed by Japanese. The stages by which this is achieved may vary in character from medium to medium and in timing from region to region.

- b. No information service in Japan, directed and operated by Japanese, should be permitted until authorized by the proper military government authority. Such permission may be granted in certain cases under specific license, in other cases under general regulations.
- c. Arrangements for the operation of information services by the Japanese should be devised to develop the proper use of a free flow of information and freedom of expression.

SECTION II: INSTRUCTIONS CONCERNING THE CONTROL OF MEDIA

4. The Press: The following instructions should be followed in connection with the Press:

- a. Re-establishment of Japanese-operated daily papers.

At the earliest possible time Japanese-operated daily papers should be published by utilization under direct military government control of such Japanese organizations and personnel as are found suitable and willing.

- b. Licensing of publishers.

As rapidly as Japanese newspaper publishers demonstrate their willingness to operate in conformance with the general principles and

~~SECRET~~

regulations of the military government, direct control should be withdrawn, and licensing of newspapers to be published by Japanese should be substituted.

c. Military regulations.

The military government should issue regulations governing the operations of licensed papers including such bans as may be necessary on publication of matters prejudicial to security or the attainment of the purposes of military government. These may be enforced by such measures as pre-publication and post-publication censorship, suspension of publication, punishment of offending editors, publishers and printers, or confiscation of printing and publication facilities. However, these regulations should be progressively relaxed.

d. Freedom of the press.

It is essential that before the termination of occupation there be fostered in Japan greater freedom of the press than existed there before the war.

e. Consolidation of newspapers.

Shortage of newsprint and other materials may make it desirable temporarily to use licensing to maintain restrictions on the number of newspapers which the Japanese Government has enforced during the war. Such restrictions on the development of free competition in the Japanese

SECRET

press should be eliminated as rapidly as possible.

f. Domei.

When acceptable leadership and personnel can be found that will cooperate with military government authority Domei should be permitted to resume its domestic news operations, subject to censorship. Domei should, however, be freed from Japanese Government control and converted into a fully private press association. Special subsidies to Domei from government sources or the Japan Broadcasting Corporation should be terminated. Any Japanese laws or regulations which arbitrarily restrict the development of competing Japanese and of other news services should be abrogated, or amended to remove such restrictions.

g. Foreign news services.

As soon as security permits, private foreign news services should be admitted to Japan and authorized to engage in news dissemination. Such foreign services should be permitted to contract with licensed Japanese publishers or services for the undistorted publication of their reports. In their news collection and dissemination within Japan they shall be governed by regulations established by military government.

Private persons of foreign nationality wishing to publish newspapers in Japan should be licensed to do so, as soon as conditions permit, under the regulations established by military government for the Japanese press.

Private importation and distribution of foreign newspapers in Japan should be permitted under regulations established by military government.

5. Publications (Magazines, books, and pamphlets).

The following instructions should be followed in connection with publications:

a. Publication of magazines and pamphlets by military government:

Military government should utilize and publish appropriate magazines and pamphlets. Such magazines should be edited and published by military government although Japanese personnel and facilities may be employed. These publications should be discontinued when military government is terminated, or at such prior time as is considered expedient.

b. Licenses and regulations.

As soon as possible military government regulations should be issued to govern the licensing and operations of Japanese publishers of books, magazines, and pamphlets. When Japanese publishers and their staffs have been adequately screened, a large variety of publications should be licensed if conditions permit.

The military government regulations should permit as much freedom of publication as is consistent with security and the other public information objectives.

In order to permit the development of self-

~~SECRET~~

expression and a free public opinion Japanese publications should not be required to serve as channels for military government information. However, military government information material should be made available to Japanese publishers.

The reprinting of publications promoting a militaristic or nationalistic philosophy should be prohibited.

Regulations should be relaxed as political conditions are stabilized so as to leave Japanese publishers, after termination of military government, with greater freedom than before the war.

c. Foreign publications.

As soon as security permits, the importation of foreign publications into Japan on a commercial basis and subject to military government censorship and should be permitted.

6. Radio Broadcasting.

The following instructions should be followed in connection with radio broadcasting:

a. Re-establishment of radio.

The occupying forces should immediately take over the facilities of the Japanese broadcasting monopoly to bring essential information and instructions to the Japanese people at fixed hours. As soon as military considerations, including the temper of the Japanese people, permit, the scope of the programs should be

~~SECRET~~

increased. Japanese personnel should be utilized after investigation.

b. Licensing.

As rapidly as Japanese broadcasters demonstrate their willingness to operate in conformity with the general principles and regulations of military government, direct control should be withdrawn, and licensing of networks or stations under Japanese operations should be substituted.

It is impossible at this time to state whether such eventual licensing might permit monopoly broadcasting. This question should be examined in the light of the then existing conditions taking into account our general policies with respect to information monopolies, the practice in other countries, the desires of the Japanese and, in particular, whether monopoly broadcasting could be developed in Japan along non-political lines as in England.

Military government should retain the right to make appropriate arrangements to broadcast programs of its own over Japanese-operated stations. Such programs should be identified. Suitable military government information material should be made available to network or station operators for possible use on other than military government programs.

~~SECRET~~

c. Military regulations.

The military government should issue regulations for the operation of licensed networks or radio stations, specifying necessary restrictions on the publication of material prejudicial to security or to the objectives of military government. These regulations should be enforced by censorship, suspension of license, punishment of offending personnel, or confiscation of facilities.

Such regulations should be progressively relaxed.

d. Financing.

Provisions should be made to continue the collection and appropriate disbursement of fees from radio set owners. Other methods of financing need not be prohibited.

e. Foreign programs.

The ban on possession and use of shortwave receiving sets should be lifted and their ownership, and if possible their manufacture, encouraged. Meanwhile, provision should be made for the possible rebroadcast of shortwave programs banned from foreign countries, and for the broadcasting of transcribed programs imported from abroad.

7. Motion Picture and Theater:

The following instructions should be followed in connection with motion picture and theater.

a. Motion Picture.

1. Use by military government.

~~SECRET~~

Military government should be initially prepared to supply, distribute and exhibit approved foreign and Japanese entertainment motion pictures, and also films that will serve the objectives of military government (documentary films) and will present news of domestic and foreign events (newsreels).

Military government may utilize Japanese facilities and personnel for the distribution and exhibition of films, and, if feasible, for production.

2. Licenses and regulations.

As soon as conditions permit, and after Japanese motion picture organizations and personnel have been investigated, military government should issue licenses and operating regulations to Japanese film producers, distributors and exhibitors. Such regulations should include preproduction censorship of scripts and predistribution censorship of films. Requirements governing the issuance of licenses and operating regulations should be gradually relaxed, as conditions permit.

3. Importation of foreign films.

As soon as Japanese producers and exhibitors have been licensed to operate, the private importation of foreign films should be permitted, subject to military

~~TOP SECRET~~

government approval. Private foreign distributors may be admitted to Japan and authorized to operate under regulations established by military government.

SECTION III: INFORMATION THEMES

8. The following themes are suggested for the guidance of military government in the preparation of material to be disseminated by information services under its control.

Theme I. Compliance with Military Government.

Sub-themes:

- a. The nature of the supreme authority of military government.
- b. The sternness, justice and understanding of the military government personnel.
- c. Futility of resistance to military government.
- d. The advantages to the Japanese of cooperation and collaboration with military government authorities.
- e. Reconstruction as a Japanese responsibility.

Theme II. Militarism and Aggressive Nationalism Brought Ruin to Japan.

Sub-themes:

- a. Economic ruin and suffering, consequences of Japanese militarism and aggression.
- b. The deception of the Japanese people by their military leaders in both domestic and foreign affairs.
- c. The danger to Japan of the retention of beliefs, attitudes and institutions which have encouraged militarism and aggression.

~~TOP SECRET~~

- d. The diverse composition of the United Nations and their unity of purpose.

Theme III. Japanese Bases for Re-orientation.

Sub-themes:

- a. The responsibility of the Japanese themselves for the re-orientation of their political thinking.
- b. That the Japanese must find non-militaristic and non-aggressive solutions to Japan's problems.
- c. The desirability of the retention and development of those aspects of Japanese culture which did not encourage militarism and aggressive nationalism.
- d. The development of an international as opposed to a national outlook.

Theme IV. The United Nations.

Sub-themes:

- a. The United Nations story of the war and its causes.
- b. The diverse composition of the United Nations and their unity of purpose.

Theme V. The United States

Sub-themes:

- a. The American soldier as a citizen-soldier.
- b. American life and institutions.
- c. American cooperation in world organization.
- d. The falsity of Japanese wartime propaganda.

~~SECRET~~
about the United States.

Theme VI. World Organization

Sub-themes:

- a. The development and meaning of international organizations and agreements.
- b. The development, structure and operation of the world security organization.
- c. The participation of Asiatic peoples in world organization.

STANDARD FORM NO. 64

~~SECRET~~

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Schuler (A00) *[initials]*
FROM : Mr. Green (NA)
SUBJECT : Sanace 388

DATE:

Herewith is a copy of the
long-awaited legal opinion
of LC/T,

Notice #5. Doesn't this
give SCAP the legal confirmation
of Circular 12 for which he
is apparently looking?

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority UFG 750086
By *[initials]* NARS, Date DEC 6 1974

(COPY-NA:hhc)

~~SECRET~~

December 16, 1947

To: NA - Mr. Allison
From: Le/T - Mr. Barron
Subject: Abrogation of certain provisions of copyright convention with Japan.

With reference to your memorandum of December 3, 1947 in which you inquire with respect to the question of abrogation on the part of the United States of certain provisions of the copyright convention between the United States and Japan, signed at Tokyo November 10, 1905, the following considerations are presented:

1. The effect of war upon treaties has long been the subject of disagreement among governments as well as among authorities of individual governments. The question of suspension or termination of treaty provisions by a state of war has not been settled by international law, but would appear to be a question for determination on the basis of the character of the provisions of the particular treaty involved.

2. Abrogation by the United States of certain provisions of the copyright convention between the United States and Japan, or of the entire convention, would establish a precedent which might be followed by other governments to the detriment of the United States. It is possible further that abrogation on the part of the United States might lead to charges, whether or not founded on fact, of discriminatory practices in Japan by the occupying power.

3. Abrogation of only certain parts of a treaty would have the effect of amending that treaty. In view of the fact that the treaty was brought into force originally by ratification by the President by and with the advice and consent of the Senate, it would appear that approval by the Senate of any amendment of that treaty should be obtained.

4. With

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority UND 750086
By ca/ae NARS, Date DEC 6 1974

~~SECRET~~

- 2 -

4. With respect to the question of termination of a part of a treaty, attention is invited to the following statement by President Hayes (Hackworth, Digest of International Law, vol. V, p. 324):

" . . . a denunciation of a part of a treaty, not made by the terms of the treaty itself separable from the rest, is a denunciation of the whole treaty. As the other high contracting party has entered into no treaty obligations except such as include the part denounced, the denunciation by one party of the part necessarily liberates the other party from the whole treaty."

5. It would appear appropriate, in the case of a power occupying the territory of a defeated enemy, both of which are parties to the Hague convention of 1907 regarding laws and customs of war on land, for the occupying power to apply such regulations in the administration of the territory of the defeated enemy as may be required for the execution of the policy considered desirable, so long as those regulations are not in conflict with the regulations embodied in the annex to the above-mentioned Hague convention. It would appear that SCAP circular no. 12, December 5, 1946, is not in conflict with those regulations and that, accordingly, no action with respect to the abrogation of the 1905 copyright convention with Japan is necessary at this time.

cc to: Le/B
FE

Le/T: BENEiburg:rmb

12/16/47

SJK - Mr. Emmerson

March 10, 1947

ADO - Mr. Schuler

Withdrawal of SFE 187 "Policy for the Interchange of Materials between Japan and Other Countries"

Reference telegram from CINCPAC to War Department C 50564, CM IN 563, March 4, 1947, copy attached.

While SCAP states that he concurs with each paragraph with the exception of paragraph F of the proposed interchange paper SFE 187, it is clear from his telegram that he regards the paper as unnecessary as "the problem covered by the draft policy paper is one which SCAP has handled, within the terms of JCS directive 1380/15 and on the basis of operational experience and needs, by issuing and enforcing the regulations known as GHQ, SCAP circular number 12 of 5 December 1946", (copy attached). Furthermore, SCAP recommends that "international discussions of the matter" be "not initiated at this time if it can be avoided". With respect to paragraph f. which provides "Pending the relaxation of present postal restrictions, the conclusion of informal agreements whereby individuals and organizations of the countries concerned may interchange, on a permanent or loan basis, materials listed in 4g. shall be permitted, provided that such materials be used for non-commercial purposes", SCAP says that he "Cannot concur unless it is made clear that the informal agreements must be concluded through SCAP and that the materials involved are routed through a SCAP clearing house and are not sent directly through the mails. It is administratively impossible to distinguish between acceptable non-commercial materials and non-acceptable commercial or commercial materials in the ordinary mails". Finally, SCAP recommends that the draft policy paper be shaped to fit circular no. 12.

As SCAP states that he is prepared to handle under circular no. 12 the import of materials into Japan on a non-commercial basis, and as his arguments with respect to the control of materials and as to the submission of the matter to FEC at this time would appear to be compelling, we are of the opinion that SFE 187 should be withdrawn for

the time

- 2 -

the time being. Informal conversations with the Reorientation Branch of CAD of the War Department indicate that the War Department shares our views. It is felt that no useful purpose would be served by shaping the policy paper to fit circular 12. The purpose of the paper, inter alia, was to encourage material exchanges on a non-commercial basis, and if SCAP can do this administratively nothing further is required. We are now beginning to give active consideration both in State and War to the publication of SCAP circular no. 12 plus an appeal for the dispatch of cultural and informational materials to Japan, which would encourage the implementation of such provisions of SFE 187 as are feasible at this time without international consultation. Accordingly, it is recommended that formal action be taken to withdraw the paper.

Attachments

ADO:FASchuler, Jr.:mbv

3/10/47

STANDARD FORM NO. 64

J Office Memorandum • UNITED STATES GOVERNMENT

TO : ADO - Mr. Buchanan

DATE:
December 20, 1946

FROM : JK - Mr. Whitman

SUBJECT: Policy for the Interchange of Materials Between Japan
and Other Countries.

I have looked over your proposed policy on Interchange of Materials Between Japan and Other Countries and following are my preliminary comments:

1. Is it necessary to limit the countries with which there will be an inter-change in materials and is it necessary to establish any principles for preventing non-discrimination as between countries with regard to such inter-change? I expected to find something on these points in your paragraph 4(a).
2. Is it proper to have the War and State Departments approving a program of interchange that involves other countries as well as the U. S. (paragraphs 4(b) and 7).
3. Substitute for last sentence in paragraph 6 of Appendix "B" the following: "Postal costs for approved shipments may be prepaid in yen."

Yes, because the American Govt is primary responsible for the democratization of Japan.

RAW.

JK:RHWhitman:emh

~~SECRET~~

POLICY FOR THE INTERCHANGE OF MATERIALS BETWEEN JAPAN
AND OTHER COUNTRIES

THE PROBLEM

1. To determine the policy of the United States Government during the period of occupation with respect to the interchange, between Japan and other countries, of materials useful to the process of Japanese reorientation.

FACTS BEARING ON THE PROBLEM

2. See Appendix "A".

DISCUSSION

3. See Appendix "B".

CONCLUSIONS

4. It is concluded that:

a. During the period of occupation and subject to approval as outlined in paragraph b. there should be permitted between Japan and other countries an interchange on a permanent or loan basis of materials for educational, religious, scientific, informational and general cultural purposes in order to further the process of reorientation of the Japanese people and to prepare them for assimilation into the society of nations.

b. For the purpose of carrying out the above aims the United States Government shall ~~assist~~ ^{encourage} in this non-commercial interchange of cultural and scientific materials to the extent necessary until normal channels of communication and transportation are restored. All materials

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority HR 750086

By COB NARS, Date DEC 6 1974

~~SECRET~~

~~SECRET~~

- 2 -

materials interchanged should have the approval of SCAP, the War Department, and the Department of State.

g. No cultural or scientific materials should be interchanged which would (1) encourage ultra-nationalism or militarism; (2) tend to create divisions between countries of and foster disrespect for the United Nations; or (3) incite to riot or disorder or otherwise interfere with the process of Allied control.

d. The following categories of cultural and scientific materials may be interchanged between Japan and other countries on a non-commercial basis without license:

- (1) Educational materials and tools such as books, pamphlets, periodicals, newspapers, literary manuscripts, maps, charts, paper, pens, brushes, pencils, rulers, slide rules, small printing, typing, reproducing and calculating machines, and any other school equipment.
- (2) Religious Objects and materials such as crosses, rosaries, pictures, images, vestments, etc.
- (3) Scientific materials such as instruments, tools, specimens concerned with the natural sciences, museum objects, models, dioramas, journals, reports, etc.
- (4) Informational materials such as photographs, slides, negatives, films, filmstrips, motion

~~SECRET~~

~~SECRET~~

- 3 -

motion picture and slide projectors, radios, and playback equipment.

(5) Cultural materials such as drawings, paintings, engravings, etchings, sculpture, carvings, artists' brushes, pigments and tools, sheet music, musical and speech recordings, musical instruments, museum and art objects.

g. The conclusion of informal agreements whereby individuals and organizations of the countries concerned may interchange, on a permanent or loan basis, materials listed in 4 g. shall be permitted, provided that such materials be used for non-commercial purposes.

~~f. In order to facilitate the interchange of materials listed above, steps should be taken to relax for this purpose present mail and transportation restrictions between Japan and other countries.~~

RECOMMENDATIONS

5. It is recommended that:

This paper, upon approval by SWNCC, be forwarded by the Department of State representative on the Far Eastern Commission, with instructions that its substance be presented to the FEC with a view to obtaining a policy decision on the subject.

~~SECRET~~

~~SECRET~~APPENDIX "A"FACTS BEARING ON THE PROBLEM1. SWNCC 162/2Reorientation of the Japanese.

4 g. "Because of the inherent nature of the problem, the basic planning for and continuing development of a U.S. program of reorientation and reeducation is an appropriate responsibility of the Department of State subject to existing arrangements with respect to control machinery for Japan and the channel of command for issuing instructions to SCAP."

d. "The Department of State should immediately undertake basic planning for and the development of such a program for the approval of SWNCC, and where necessary, for that of FEC. Such a program should be implemented by SCAP and where appropriate and after coordination with SCAP by the Department of State in the United States."

e. "This program should be considered as a matter of priority and should be given adequate support in funds, material and facilities to insure that maximum advantage is taken of present more favorable psychological conditions of the Japanese people."

2. SWNCC 150/4/A3. "Encouragement of Desire for Individual Liberties and Democratic Processes."

"The Japanese people shall be afforded opportunity and encouraged to become familiar with the history, institutions, culture, and accomplishments of the United States and the other democracies . . . "

~~SECRET~~

~~SECRET~~

- 2 -

3. The Department of State has received many letters from educational institutions, learned societies and scholars in the U.S.A. and Japan requesting permission for the interchange of materials of educational, religious, scientific, informational and general cultural nature. This demand should be met by a basic policy which when properly implemented will go far towards reeducating and reorientating the Japanese in the ways of peace and democracy.

~~SECRET~~

~~SECRET~~APPENDIX "B"DISCUSSION

1. The Potsdam Declaration states in part that "The Japanese Government shall remove all obstacles to the revival and strengthening of democratic tendencies among the Japanese people. Freedom of speech, of religion, and of thought, as well as respect for the fundamental human rights shall be established." To that end, it would appear essential that the Japanese people be allowed to resume contact at the earliest possible date with all democratic peoples, the more effectively to expedite the reeducation of Japan in the democratic way of life.

2. An interchange on a non-commercial basis of materials in the fields of education, religion, science, information and general culture between Japan and democratic countries will further Japanese reeducation and reorientation in the following respects:

a. It will assist the Japanese in overcoming their nationalistic isolation in the spiritual and intellectual spheres by the reestablishment of personal cultural ties with democratic countries.

b. It will exert a direct democratic influence upon the spiritual and intellectual life of the Japanese by affording them a first-hand acquaintance of materials in democratic countries.

c. It will provide an effective means of countering the undermining influences of Japanese militarists and reactionaries by enabling reliable Japanese to gain
first-hand

~~SECRET~~

~~SECRET~~

- 2 -

first-hand knowledge of the ways of democracy in other countries.

d. It will assist in the reestablishment of libraries, museums, art galleries, scientific institutions, universities and other institutions of learning.

e. It will assist in achieving the aims of the occupation by providing additional materials for the reorientation of the Japanese people toward democracy and peace.

f. It will enable citizens of democratic countries to acquire direct appreciation and understanding of the problems of Japanese reeducation and to participate in the work necessary for their successful solution.

3. Subject to the favorable development of Japanese reeducation, the interchange of materials should be conducted increasingly on a non-commercial basis, in the educational, religious, scientific, informational and cultural spheres or in other spheres of importance for the spiritual and intellectual reorientation of the Japanese people towards world friendship and democracy. Until such a time, however, as the interchange can be placed on a private or commercial basis, the State Department in consultation with the War Department and SCAP should have the responsibility of formulating a positive program of the interchange of materials which will provide the Japanese for their reeducation a knowledge of the achievements of democratic nations.

4. In selecting materials for the purposes defined under paragraph 2, the following should be regarded as particularly suitable:

a. Educational

~~SECRET~~

~~SECRET~~

- 3 -

a. Educational materials and tools such as books, pamphlets, periodicals, newspapers, literary manuscripts, maps, charts, paper, pens, brushes, pencils, rulers, slide rules, small printing, typing, reproducing and calculating machines and any other school equipment.

b. Religious objects and materials such as crosses, rosaries, pictures, images, vestments, etc.

c. Scientific materials such as instruments, tools, specimens concerned with the natural sciences, museum objects, models, dioramas, journals, reports, etc.

d. Informational materials such as photographs, slides, negatives, films, filmstrips, motion picture films, motion picture and slide projectors, radios and playback equipment.

e. Cultural materials such as drawings, paintings, engravings, etchings, sculpture, carvings, sheet music, musical and speech recordings, musical instruments, museum and art objects.

5. Approval of materials for interchange should be carried out as follows:

a. Certification should be made by the sender that the materials will not be utilized for commercial purposes. The sending of all materials must be sponsored by an organization, institution or agency either official or private.

b. The total amount of materials sent and received should be limited by the nature and objectives of the control machinery and the problems of reorientation and reeducation of Japan.

c. Materials

~~SECRET~~

~~SECRET~~

- 4 -

c. Materials sent by U.S. citizens or groups to Japan and by Japanese subjects or groups to the U.S.A. should be approved by SCAP, the War Department and the Department of State.

d. Materials sent by Allied persons or groups to Japan and by Japanese subjects or groups to countries other than the U.S.A. should be approved by SCAP and the country or countries of destination or origin other than Japan.

6. With regard to sending charges, all materials sent by individuals or groups in the U.S.A. or other democratic countries to individuals or groups in Japan should be carefully packed, marked and prepaid by the sender. Materials sent by individuals and groups in Japan to individuals or groups in the U.S.A. or other democratic countries should be carefully packed. The contents of such packages should be fully listed and described, and the name and address of both the sender and receiver should be clearly enscribed on the outside of each package. SCAP should make every effort to facilitate the sending and receiving of materials approved by him by authorizing the use of international parcel post, water and air transport. ~~By special provision blocked yen may also be used for this purpose.~~ *Postal costs for approved shipments must be prepaid in yen*

7. The amount of interchange of materials permitted to enter each country in accordance with the above policy should be subject to the approval of SCAP, the War

Department

~~SECRET~~

~~SECRET~~

- 5 -

Department and the Department of State, and should also be subject to the availability of educational, religious, scientific, informational and other cultural materials.

~~SECRET~~

~~SECRET~~

5 April 1947

Honorable J. H. Hilldring
Assistant Secretary of State
Washington, D. C.

Dear General Hilldring:

Inclosed are three copies of a brief summary of
SWNCC religious policy papers pertaining to the occu-
pied areas, and religious projects of the War Depart-

ment which may be of interest to you and to other di-
visions of the Department of State.

APR 17 1947

Sincerely yours,

DANIEL ROGE
Major General, GSC
Chief, Civil Affairs Division

1 incl
Religious pa-
per (3 copies)

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority NND 750086
By [Signature] NARS, Date DEC 6 1974

~~SECRET~~

Am 1869

STANDARD FORM NO. 64

Religion
Source Memo

Office Memorandum • UNITED STATES GOVERNMENT

DATE: *4/18*

TO : *ADO - Frank Schulz*

FROM : *- Hans Speil*

SUBJECT :

*The attached material received
from A-H will be of
interest to you.*

*This copy is for your
files and action, if any.*

*German - Austria Board
has sent copy.*

THE OCCUPIED AREAS DIVISION
(AOO)
APR 21 1947
Department of State

~~SECRET~~HQ OCCUPIED AREAS DIVISION
(ADD)

APR 17 1947

DEPARTMENT OF STATE

RELIGIOUS POLICY PAPERS AND PROJECTS

1. Present religious policy in the occupied countries is governed by the following:

a. SWNCC 52/7: Basic Directive for Post-Surrender Military Government in Japan.

Guarantees freedom of religious worship, opinion, speech, press, and assembly. Abolished State Shinto and ordered removal of its shrines.

b. SWNCC 176/8: Basic Initial Directive for Civil Affairs in Korea.

Guarantees freedom of Religious worship.

c. IPCOG 1/4: Directive to C-in-C, Military Government, Germany.

Guarantees freedom of speech, press, and religious worship.

d. IPCOG 9/2: Directive to C-in-C, USFA, on Military Government.

Guarantees freedom of speech, press, and religious worship.

2. In addition to the above named papers, there are:

a. Revised paper on Germany which restates religious freedom in general terms.

b. JCS 1143 (28 Oct 44), which incorporates JCS Memo 321. Copy of which was furnished State member, CGAC, Mr. Dunn. This is the only paper which describes specifically in detail Military Government functions in this field. It provides:

- (1) Military Government coordination of policies relating to religious affairs.
- (2) Abolition of German Ministry for Ecclesiastical Affairs.
- (3) Permits revision of constitutions, rituals, internal relationships of ecclesiastical bodies by churches.
- (4) Removal of Nazi personnel and influences.
- (5) Military Government not to intervene concerning religious instruction in schools; the establishment or continuation of denominational schools, or ecclesiastical control of publicly supported schools.
- (6) Churches, shrines, etc. protected.
- (7) Return of sequestered property to former owners.
- (8) Pending instructions from Supreme Authority, continues church taxes and state financial assistance to churches.
- (9) Permits religious bodies conduct appropriate youth, sport, welfare activities, and receive contributions for these.

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority 1140 750088By R. J. [signature] NARS, Date DEC 6

1974

~~SECRET~~*aw 1067*

~~SECRET~~

- (10) Subject to directive "Control Public Information in Germany", religious periodicals and literature to be revived or established.
- (11) Prevention, under guise of religion, Nazi theories or practices which interfere with Military Government objectives.

c. SWNCC 105/D (13 Apr 45) and 105/1 (8 May 45). This is similar to JCS 1143 substantively; it was therefore not referred to JCS, and recommends that Ambassador Winant use JCS 1143 in negotiation in EAC. SWNCC 105/1 does mention specifically:

- (1) Jewish religious communities be treated no less favorably than Christian churches. Jewish communities may occupy and use real property formerly belonging to the community. They may also collect church dues.
- (2) The Concordat concluded between the German Government and the Vatican 20 July 1933 continues in force. Military Government while trying not to interfere with operation of the Concordat, will ensure that it does not conflict with Military Government regulations.
- (3) For Austria it is provided:
 - i. Churches in Austria withdrawn from control of German State.
 - ii. Austrian Evangelical Church severed from Reich Evangelical Church.
 - iii. Administrative questions to be settled by Austrian Churches, but financial arrangements must be in accordance with financial directive for Austria.

3. Religious Projects:

a. SCAP has approved a policy of encouraging the return to Japan of Christian missionaries. SCAP cable No. 26123, 26 November 1946 provides that clothing and food may be shipped from the U.S. to missionaries. It also permits entry by missionaries not previously established there, if they can effect liaison with groups which have been there before.

JCS cable No. WCL 37307, 14 Dec 46 concurred in SCAP's new policy and asked questions about its interpretation. The answer of SCAP to JCS, in cable No. Z-29670, 30 Dec 46 was that:

- i. The policy did not apply to Korea, Hansai, Nanpo Shoto, or the islands in the vicinity of Japan.
- ii. That missionaries other than Christian would be considered on individual merits.
- iii. Applications for the areas mentioned in i. would each be considered individually.

b. Senator Wayne Morse petitioned the Secretary of War to permit a group of American clergymen, Protestant, Catholic, and Jewish to visit Germany.

~~SECRET~~

~~SECRET~~

The purpose of the visit would be to survey religious conditions there and to create goodwill in the U.S. for the work of Military Government through religious channels and periodicals in the U.S. It has been learned unofficially by R/O that this group will be sponsored by the S/W and will leave in the spring.

c. As a result of his recent trip to Germany, where he consulted with Dr. Taylor and Mr. Olsen, Monsignor Hochwalt, National Catholic Welfare Conference has proposed another group of visiting religious experts, lay as well as clerical. Monsignor Hochwalt has outlined his plan in a memorandum 18 February 1947, to Dr. D'Arms.

Two teams of five members each would go to Germany. They would be groups of Catholic educators and sociologists who would consult with German educators and sociologists, between the middle of May and June, in three day seminars at Fulda, Munich, and Frankfurt. Materials for the discussions would be sent in advance to the German bishops.

Monsignor Hochwalt proposes to submit his program to the Federal Council of Churches, or the Association of Church-Related Colleges, with the idea that they might wish to organize similar teams for Germany.

ERA approved of the idea, if submitted to the Protestant Church groups in the U.S. Dr. D'Arms expressed approval provisionally of this plan but Monsignor Hochwalt has since been informed that it will not be possible to carry out the project for the fiscal year 1947 because of difficulties connected with the expert advisers program.

4. JCS 1143 and SWGCC 105 the only papers which make a detailed statement of religious policy were submitted to Mr. Lightner, State Department, who had originally been concerned in the writing of JCS 1143, for an opinion whether it constituted policy. The answer, 9 January 1947, a memorandum from Mr. Lightner concludes that this is still policy, but that in view of 1067, Potsdam agreement, the Laender Constitutions, and the experience of a year and a half of Military Government, that the State Department and the War Department might wish to look over these provisions again to make sure that no revisions are required.

A copy of Mr. Lightner's letter was taken to Germany by Col. McRae to discuss with ERA their opinions of JCS 1143.

5. The question of religious policy was discussed with Mr. Fahey of Planners, CAD. Mr. Fahey stated that very deliberately the position on religious policy had been put in general terms, and he thought that this was the correct position.

6. Since these papers have governed religious policy for some time, and since implementation of them has grown on an ad hoc basis, it might be well to continue on that basis.

~~SECRET~~

~~SECRET~~

If any top policy statement on religious policy were to be written now, a number of agencies should probably be consulted. In the revised policy paper for Germany, the suggested statement prepared by R/O was so reduced that it is really as general as the previous one. Before occupation, and during the early phase of Military Government occupation, it was easier to impose policies than it will be now. The occupied countries have constitutions, their electorates are being encouraged to adopt the democratic method of expressing their views on what is policy; and public opinion in the U.S., as expressed through various groups will wish to state their views. It is believed that not only the War Department and the State Department would have to study any new pronouncement on religious policy, but that the Federal Council of Churches, the National Catholic Welfare Conference, the Jewish Welfare Conference, and similar agencies in this country would wish to be consulted. These American agencies would undoubtedly reflect the opinions of their groups in the occupied countries. Therefore, unless the War Department should be requested by American church agencies for a new policy statement covering specifics, it is considered that we should not now attempt to do this, but continue to deal with individual projects, which method appears to be the one desired by the theater commanders.

4
~~SECRET~~

~~SECRET~~

STATE-WAR-NAVY COORDINATING COMMITTEE

Subcommittee for the Far East
New War Department Building
Washington, 25 D C.

~~SECRET~~Serial No. 00529

JBC/hmh

7 February 1947

MEMORANDUM FOR

Dr. D. C. Buchanan, S-3379, Rm. 660 War Manpower Bldg.
Mr. R. A. Fearey, S-3763, Rm. 353, State Dept.
Dr. E. F. D'Arms, W-71680, Rm. 4B865, Pentagon
Comdr. Stephen Jurika, N-61293, Rm. 3606, Navy Dept.

Subject:

Policy for the Interchange of Materials Between
Japan and other Countries

Enclosure:

Draft on Subject.

1. The enclosure, a proposed report to the SWNCC, prepared in the Department of State, is circulated to the Working Group at the request of Dr. Hugh Borton, Acting Chairman, SFE.
2. Dr. Borton requests in view of the importance of the subject problem, that the enclosure be considered as a matter of priority.

For the State-War-Navy Coordinating Subcommittee
for the Far East.

J. B. Cresap
J. B. CRESAP
Commander, USN
~~Chairman~~
Secretary

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority NND 750086By CP NARS, Date DEC 6 1974~~SECRET~~

~~CONFIDENTIAL~~

ADO - Mr. Speier
 Mr. Anderson
 ADO - Fred Bundy

February 12, 1947

Interim Report - Interchange of Educational and Cultural Materials
 Between the United States and Germany.

Introduction: The following report is made on the basis of conversations with Mr. Stanley Metzger, Le/E, Mr. Frank Taylor, G-A, and Mr. Geoffrey Lewis, A-H, and OMOUS cable CC7842 dated January 28, 1947. Trading with Enemy Act, availability of German copyrights, gifts of German MMS to U. S. publishers, sale of German copyrights and materials to U. S. nationals and dollar payments therefor, gifts to Germans, and procurement by Germans of U. S. materials or services are covered in that order.

After final determination is made to relax trading with the enemy controls, it is suggested that two proposals be submitted to OMOUS to facilitate further the interchange of cultural and educational materials. These are set forth under "Action". Problems relating to interchange of cultural and educational materials between U. S. nationals and German nationals in other zones of Germany require further study.

1. The Department of State (Le/E and G-A) and OMOUS have under consideration a proposal for the removal of trading with the enemy controls over current transactions between persons in the United States and persons in Germany. In cable CC7842 of January 28, OMOUS concurred in the general proposal for the removal of the Trading with the Enemy Act controls, but stated that it would retain a licensing system in Germany comparable to the one maintained in conjunction with the Trading with the Enemy Act. OMOUS is aware that relaxation of trading with the enemy controls would remove the moral and legal suasion from those persons under the jurisdiction of the United States in their dealings with persons in Germany. OMOUS is also aware that they cannot establish 100% effective controls even over German nationals. Nevertheless, the decision of OMOUS takes these factors into consideration and is based on the conviction that the adverse effects of possible violations would be more than offset by the benefits to result from the removal of present restrictions. February 24, 1947, has been set as the tentative date for removal of Trading with the Enemy Act restrictions and official confirmation has been requested from OMOUS. The Department has requested information from OMOUS as to the exact nature of its licensing and control system after February 24.

2. With the relaxation of Trading with the Enemy Act controls,

transactional

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority NND 750086By [Signature] NARS, Date DEC 6 1974~~CONFIDENTIAL~~

- 2 -

transactional mail between nationals of the U. S. and Germany will be permitted. This will mean that negotiations can take place between U. S. nationals and German nationals in the U. S. Zone though no final contracts or exports may be accomplished without the approval of OMGUS.

3. Prior to the entry of the United States into the war, German copyrights were registered in the U. S. This registration prevented, from a legal standpoint, the publishing in the U. S. of these copyrighted publications without the consent of the German copyright owner. Copyrights registered in the U. S. prior to 1941 and legally assigned to a U. S. publisher before that date are valid. Copyrights which were not legally assigned to a U. S. publisher but registered in the U. S. were vested in the Alien Property Custodian, who in turn, has the authority to grant permission for the use of that copyright to a U. S. publisher without clearance from the German copyright owner. Determination of copyright fees and royalties has been made by the Alien Property Custodian. In the near future APC may relinquish its dollar collections to OMGUS. In certain meritorious cases, upon application by a U. S. publisher, the Alien Property Custodian will take steps to vest a copyright if not previously vested and then assign that copyright to the publisher.

4. The gift of a German manuscript to a U. S. publisher for publication in the U. S. would seem to fall under the general licensing system of OMGUS in order that OMGUS may control any potential export proceeds. Le/E is of the opinion that in such instances the document would be copyrighted in Germany prior to OMGUS's approval for export.

5. The sale of German copyrights to U. S. publishers and the export from Germany of bulk materials will be governed by the control system operative in OMGUS after the relaxation of the Trading with the Enemy Act restrictions.

6. All dollar payments made by U. S. publishers or other organizations for the procurement of copyrights or actual materials from Germany will be placed to the credit of the appropriate OMGUS account and no such funds will be deposited in the U. S. to the account of a German national. OMGUS will determine the extent of Reichmark payments to German nationals.

7. Gift subscriptions of U. S. periodicals and newspapers to German nationals in the U. S. Zone and gifts of materials by American individuals and organizations are permitted in accordance War Department press release of February 3, 1947. Special provision is made for

gift

- 3 -

gift bulk shipments thru Smithsonian Institution and Information Centers in Germany. (The recent Readers' Digest announcement that gift subscriptions are now available in a number of languages, including German, was apparently made on the basis of Readers' Digest's handling the distribution in Germany under the general Treasury license already granted under the Trading with the Enemy Act.)

8. A German national who wishes to secure materials from the U. S. or obtain copyright permission to reprint an American book or magazine article will submit his request to OMCUS and OMCUS in turn will determine to what extent, if any, its export proceeds will be utilized in meeting such a request. (This is in addition to RO/CAD purchases of reprint rights from appropriated funds.) American publishers may have the option of receiving blocked marks in payment for copyrights, services or materials though OMCUS will have to consider each case on its merits.

ACTION:

X. Upon confirmation from OMCUS regarding the effective date for the relaxation of Trading with the Enemy Act controls and upon receipt of information as to the nature of the OMCUS licensing system, the following proposals might be referred to OMCUS:

1. That OMCUS, without reference to its licensing system or other controls, permit a German publisher to reprint articles from American periodicals where arrangements are made directly between U. S. and German nationals by mail without any financial transaction involved.

2. That OMCUS authorize a blanket exemption from its controls for gifts by Germans to Americans of reprint rights to newspaper and magazine articles, and gifts of other cultural and educational materials when the monetary value is relatively small. OMCUS may consider the possibility of establishing a monetary ceiling for this exemption, high enough so as not to burden its administrative machinery with many small transactions, and low enough so as not to affect to any great extent the accumulation of valuable export proceeds.

cc: Kellerman
Goldstein
Butler

ADO:POBundy:el

September 19, 1946

MEMORANDUM FROM THE STATE MEMBER, SWNCC

Proposed Revisions of SWNCC 108/1 "POLICY FOR THE REVISION OF THE JAPANESE EDUCATIONAL SYSTEM".

1. It is proposed that the last two sentences of paragraph 4, a, be amended to read as follows:

"Courses in morals and ethics should be based upon universal moral and religious teachings and not upon imperial rescripts. Nor should these courses or imperial rescripts be used to enhance the prestige of the imperial family or to inculcate concepts of militarism and ultra-nationalism."

2. It is proposed that the following sentence be added to paragraph 4, c.:

"Special emphasis should also be placed on the teaching of the sanctity of the pledged word in all human relations, whether between individuals or nations."

Without specific prohibition of the use of imperial rescripts as the basis for courses in morals and ethics, the effectiveness of the paper would be largely nullified. Nothing would prevent continued use of the imperial rescript on education which for more than fifty years has been the basis for education, for the teaching of national morals, and the inculcation of chauvinistic nationalism. On July 16, 1946 the NIPPON TIMES quoted the Minister of Education, Kotaro Tanaka, to the effect that "The nation should abide by the Imperial Rescript on Education as long as it is not abolished". The Rescript on Education "has not been abolished fundamentally as yet", Tanaka stated, thus implying that SCAP might at some future date take steps to abolish it. This rescript which was proclaimed in 1890 makes loyalty and filial piety the basis of national morality. An absolute standard is thus set up to which all other virtues are relative. This standard is an outworn feudal and ultra-nationalistic one, having as its cornerstone "the prosperity of the Imperial Family coeval with Heaven and earth". To "guard and maintain" this prosperity the command is given to subjects: "offer yourselves courageously to the State". SCAP has very properly criticized this rescript by the Emperor Meiji as "containing principles

-2-

from which much of the existing militaristic and ultra-nationalistic emphasis in education has developed". (See report by CI&S Section, February 15, 1946, "Education in Japan", p. 6). In the Potsdam Declaration it is stated that: "The Japanese Government shall remove all obstacles to the revival and strengthening of democratic tendencies among the Japanese". The rescript on education is one such obstacle. As part of the program for the democratization of Japanese education, the formal reading of the imperial rescript on education at school ceremonies and its acceptance as the basis of national morality should be completely abolished. The continued use of this rescript inculcated "a sense of blind devotion to the Emperor" which is prohibited in paragraph (2) of "Conclusions", SWNCC 209/1.

The Japanese, both as individuals and as a nation, have in the past shown little regard for the sanctity of the pledged word. There is for example, in Japan, no conception of the "oath" or "pledge" as is known under our law. This is frequently manifest in the actions of individuals as well as of the nation. A flagrant example was the unblushing disregard of the Nine Power Treaty in Japan's conquest of Manchuria in 1931. This is not a matter of lack of moral fibre, but rather of lack of education. The Japanese are not taught that an agreement solemnly entered into should be held inviolable. Their code of ethics teaches them loyalty to the master, filial piety, devotion to duty, courage and frugality, but not the inviolability of a contract or agreement.

An approach to this subject is made in 4 g. of SWNCC 108/1, wherein it is stated that "The spirit of justice, fair-play and respect for the rights of others.....should be emphasized." It is believed, however, that the point in question should be brought out more strongly than is done in this paragraph. For these reasons the revisions above are suggested.

J. H. Hilldring
State Member

ADC:DCBuchanan:mbv
JA :JKEmmerson:msk

LIST OF PAPERS

FILE UNDER NO. 091 JAPAN , MISCELLANEOUS

Serial No.	From	Date	To	Synopsis
1				EXcerpt from Minutes of 7th Meeting
2	W.E. Whitson	2/3/45	JCS	Memo re: Directives for Military Government in the Japanese Outlying Islands
3	V.F. Field	2/10/45	Dir., Civil Affairs, W.D.	Memo re State Department Studies.
4	Mr. J.C. Grew	2/14/45	Sec Navy and Sec War	Letters re Red Cross visits to JAPAN PHILIPPINES Santo Tomas, Philippines.
5	Sec of War	2/22/45	Sec of State	Letter re visits to POW and civilian Internee camps.
6	Sec of Navy	2/28/45	Sec of State	Letter re visits to POW and civilian Internee camps.
7	Sec of War	2/28/45	Sec of State	Letter re protests to Japanese Government.
8		3/22/45		Memo re Meeting on: "United States - Japanese Exchanges."
9	R.P. Patterson	3/27/45	Sec of State	Letter re captured Japanese documents revealing atrocities.
10		Undated		Van Slyke Document -- Observations on Post Hostilities Policy Toward Japan.
11	Sec of War	8/12/45	Sec of Treasury	Letter re assignment of a financial advisor, Pacific Area Commander.
12	Sec Forrestal	8/14/45	Sec of State	Letter re protest to Japanese Gov't on attack of survivors of U.S. Merchant Sessel JEAN NICOLET.
13	Sec of War	7/18/45	Sec of State	Letter re program of reorientation for Japanese POW.
14	JC Dunn	8/30/45	Mr. Secretary	Letter re control machinery, Japan, Aide-Memoirs, United Kingdom, attached.
↑↑ 15	Col. McCarthy	9/14/45	Mr. Matthews McCloy, Gates	Memo with Swiss memo attached re: Japanese Protest on the Use of the Atomic Bomb.
16	Sec Stimson	9/7/45	Sec of State	Letter re Japanese protected personnel in American custody.

(17)

LIST OF PAPERSFILE NO. .091 JAPAN, MISCELLANEOUS

NO.	FROM	DATE	TO	SYNOPSIS
17	Col Cameron	9/11/45	SWNCC, COL. FIELD	Memo re: letter from British Joint Staff Mission re: Additional Requirements for Japan (cross ref. 091 G. Brit.
++ 18	Col. McCarthy	9/14/45	Mr. Gates, Matthews, McCloy	Memo re: Japanese Protest on the Use of the Atomic Bomb.
19	J. E. Hull	10/10/45	Commander in Chief	Memo re: Publicity regarding contemplated invasion Operations against the Japanese Empire.
20	Hdqs. Pacific	10/11/45	War. Dept.	Message re: draft directive on revision of Jap Constitution.
21	Col. Sawyer	10/10/45		Letter re: Publicity regarding contemplated Invasion Operations against the Japanese Empire. JCS approval 924/20
LTR TO HON. CLAYTON FROM MR. LOVETT RE: ARRANGEMENTS TO BE MADE BY THE STATE DEPT. FOR SECURING FOOD IMPORTS NECESSARY FOR JAPAN FILED UNDER 400.38 - SUPPLIES FOR RELIEF, JAPAN * SWNCC 107 Series.				
22	Mr. Matthews	11/6/45	Sec. of State	Memo re: Relations of Neutral Diplomatic Missions with Japanese Government.
23	Sec. Reid Mr. Matthews Gen. McFarland Col. Allen A.G.D.	1/17/46 for State 1/3/46 12/18/45	Sec. JCS mbr SWNCC SWNCC JCS	RE: Request by Japanese Govt. for Documents and Publications Relating to International Organizations.
24	SUPREME COMMANDER FOR THE ALLIED POWERS MONTHLY SUMMARY OF NON-MILITARY ACTIVITIES IN JAPAN AND KORES, NUMBER L, SEPTEMBER , OCTOBER 1945.			
25	Col. Peck Col. Reid, Sec.	4/11/46 4/12/46	SWNCC SEC OF STATE	Re: Correspondence between Japanese and Swiss on Financial Arrangements for Handling U.S. and British Interests and Red Cross Expenses
26	Gen. Hood, Aaf, Staff.	6/14/46		Summary Applications for Civil Air operations internally in Japan.
NO'S CHECKED ++ HAVE BEEN REMOVED AND REFILED WITH 471.6 Bombs, Atomic Misc.				
27	Sec. Hilldring	7 Apr 47	Mr. Petersen	Re: U. S. REPARATIONS, RESTITUTION AND RESTORATION MISSION FOR JAPAN.
28	CAD	22 Jul 48	SCAP	CM OUT 86279 - Part 1 Budget estimate for economic rehabilitation for Japan and Ryukyus; Part 2. Long range economic plan and presentation ofr Japan and corresponding material for Ryukyus
29	To: Dept of Army	5 Aug 48	From: SCAP	CM IN-844 - Cable reply to above msg.

(2)

LIST OF PAPERSDECIMAL FILE NO. 091 JAPAN- MISCELLANEOUS

SWNCC _____ Series. Part _____ From SWNCC _____ thru SWNCC _____.

(title)

Serial No.	From	Date	To	SYNOPSIS
30	Col. Hennessy Industrial College	17 May 48	SANACC Armed Forces	Re: Classification of Material. Reports prepared in 1941 "The Economic Vulnerability of Japan" prepared by Interdepartmental Cmte. on various products
31	Mr. Stelle	29 Jul 48	Col. Field	Ref. above memo re classification of studies on Japanese industrial products.
32	SCAP	7 Aug 48	Sept. of Army	CM IN -1621 Rearad WARX 86279. Comments req. part 1 re impact of reduced fiscal year 49 economic rehabilitation of occupied areas allocations on fiscal year 50 rehabilitation requirements for Ryukyus.
33	SANACC,	9 Aug 48	Industrial College	Memo suggesting approach be made directly to the Dept. of Commerce for downgrading of subject documents.
34	CAD	17 Aug 48	SCAP	Ref. no. 32 above request inform DA of ETA Wash RYCOM econ rehabilitation program as prepared according to instructions WARX 82882. CM OUT8672
35	SCAP	24 Aug 48	Dept. Army	CM IN 4927 - Reply to above cable.
36	SCAP	4 Sep 48	Dept. of Army	CM IN 873 - Procurement for the Ryukyus. Initiate supply action - revised funding for spare parts for transportation purposes.
37	SCAP	22 Oct 48	Dept. of Army	CM IN 4057 - Request cancellation procurement of all spare parts for motor transportation pending new revision. Request procurement expedited on spare parts for water transportation.
38	CAD	10 Nov 48	SCAP	WAR 92357 - Same subject as above. Sup action for spare parts for water transportation is initiated.

LIST OF PAPERS

DECIMAL FILE NO. 091 JAPAN, MISCELLANEOUS

SWNCC _____ Series. Part _____ From SWNCC _____ thru SWNCC _____.

(title)

Serial No.	From	Date	To	SYNOPSIS
39	CINCFE	18 Nov 48	CSCAD	CX 65506 - Giving revisions in motor transportation spare parts.

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

~~SECRET~~
PRIORITY

PARAPHRASE NOT REQUIRED

From: CINCPAC Tokyo Japan

To: Dept of Army for CSCAD BMP

Info: CG RYCOM

Nr: CX 65506

18 November 1948

Reurad WAR 92357 dated 11 November 48. This radio in four parts.

Part 1. Cancellation of motor transportation spare parts was tentative measure only to prevent excessive procurement. Revised requirements were airmailed to DA 10 November. Following are revisions outlined in that program:

- ~~SECRET~~ Item 2, stock number 3320-GP WAR-6005 WAR C-A 5497, engine, accessories assy; reduce quantity from 225 to 100.
- State Member
- Army Member
- Navy Member
- Air Force Member
- Ass't State Member
- Ass't Army Member
- Ass't Navy Member
- Ass't Air Force Member
- Item 268, stock number G 121-01-70350 CC 220770; engine assy; reduce quantity from 162 to 62.
- Items 1 through 267, pages 1 through 10 (spare parts for 1/4 ton vehicle 4 by 4), reduce by 30%.
- Items 268 through 643, pages 11 through 23 (spare parts for Dodge vehicles), reduce by 40%.
- Items 895 through 1603, pages 33 through 56 (spare parts for diamond "T", Federal and International trucks), cancel.

File

Revised estimated dollar value, project 169, \$313,069.

Part 2. As stated above, EROA 49 program airmailed 10 November. Request procurement all items listed therein be initiated earliest to meet 1 December commitment deadline.

Part 3. Noted.

IN 3641

(18 Nov 48)



~~SECRET~~
DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority: 750086

By: [Signature] NARS, Date DEC 6 1974

COPY NO.

65

39

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

~~RESTRICTED~~
PRIORITY

Nr: CX 65506

Page 2

Part 4. New subject: 1949 GARIOA program will be airmailed 18 November 48. Request procurement all items be initiated earliest in accordance with quarterly phasing as indicated, in program.

ACTION: CAD

INFO: CAD(STATE), LOGD, OUS, PO, BUD, ARMY COMPT, FAOA,
SANACC

CM IN 3641

(18 Nov 48) DTG: 180403Z dgk/B
~~RESTRICTED~~

65

COPY NO.

39

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

*09 Japan
me*

~~SECRET~~
PRIORITY

PARAPHRASE NOT REQUIRED

Civil Affairs Division
Lt Col Philpott/6596

To: SCAP

Nr: WAR 92357

10 November 1948

SCAP for action pass for info to COMGENRYCOM from CSCAD cite BMP. Reurads Sept CX 63577, Oct CX 64728 ourad Aug WARX 87672. This rad in three parts.

Part 1. Reurad Oct program for procurement of MTR transportation spare parts has been in process of screening by tech svcs since early Sept. Cancellation of this reqmt in its entirety increases difficulties Ryukyus procurement program and will materially delay any revised procurement program.

Part 2. Appreciated here that Economic Rehabilitation Program for Ryukyus requires review. However, four months of first half FY 49 have passed and no program for economic rehabilitation for Ryukyus has been recd by DA, nor have any appropriated funds been committed for economic rehabilitation in Ryukyus. Imperative that you take cognizance of necessity to commit all appropriated funds apportioned Ryukyus for first half FY 49 for economic rehabilitation prior to 1 Dec 48 in order to give evidence that rehab program is progressing satisfactorily and needed materials are arriving in Ryukyus.

Part 3. Sup action for spare parts for transportation initiated.



SANACC SECRETARIAT

State Member: ~~SECRET~~ *RE* CX 63577 is CM J... (5 Sep 48)
Army Member: CX 64728 is CM IN 405... (22 Oct 48)

Navy Member
Air Force Member
ORIGINATOR: *MB*

Ass't State Member: DISTRIBUTION: CAD (STATE), OUS, PO, LOGD, BUD, ARMY COMPT,
Ass't Army Member: ~~SECRET~~ *RE* SANACC

Ass't Navy Member
Ass't Air Force Member: CM OUT 92357

(No. 48) DTG: 102124Z chlp

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority: *MD 750086*

By: *MD* NARS, Date: DEC 6 1974

COPY NO.

65

38

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

SANACC SECRETARIAT

~~SECRET~~
PRIORITY

- Army Member
- Navy Member
- Air Force Member
- Ass't State Member
- Ass't Army Member

[Handwritten initials]

PARAPHRASE NOT REQUIRED. HANDLE AS SECRET CORRESPONDENCE
PER PARAS 511 and 60a (4) AAR 380-5

From: SCAP Tokyo Japan

To : Dept of Army for CSCAD ECON Wash DC

File

091 Japan misc

Info: COMGENRYCOM Okinawa RI

Nr : CX 64728

22 October 1948

Reurad WX 87672 and ourad CX 63577.

Part 1. Request cancellation procurement of all spare parts for motor transportation in amount of \$448,000 pending new revision.

Examination of requirements in view of Ryukyus long-range economic rehabilitation program recently completed discloses requirements are inconsistent with future plans and policies re motor transportation for the economy.

Part 2. Request procurement expedited on spare parts for water transportation.

NOTE: CX 63577 is CM IN 873 (5 Sep 48) CAD

ACTION: CAD

INFO : CAD (STATE), OUS, PO, LOGD, ARMY COMPT, FAOA, BUD, SANACC



CM IN 4057

(22 Oct 48)

DTG 221031Z

jwk/D

~~SECRET~~

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority NND 750086

By [Signature] NARS, Date DEC 6 1974

COPY NO.

65
37

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

091 Japan
SANACC SECRETARIAT

~~SECRET~~

PRIORITY

State Member	_____
Army Member	_____
Navy Member	_____
Air Force Member	_____
Ass't State Member	_____
Ass't Army Member	_____
Ass't Navy Member	_____
Ass't Air Force Member	_____

PARAPHRASE NOT REQUIRED. HANDLE AS SECRET CODE
PER PARAS 511 and 60a (4) AR 380-5

From: SCAP Tokyo Japan

To : Dept of Army for CSCAD ECON Wash DC

Info: COMGENRYCOM Okinawa

Nr : CX 63577

4 September 1948

Reurad WX 87672 and ourad CX 62841 August. Subject
is FY 49 EROA Procurement for the Ryukyus.

1. Re par 3 urad. Initiate supply action under
following revised funding for spare parts for transportation
purposes:

A Project 530, water transportation spare parts. Funds
specified for this item totaling \$250,000 ourad should first
be applied to procurement of parts listed in FY 48 require-
ments totaling \$113,000. Balance FY 49 Program for water
transportation parts will be amended and forwarded shortly.

B Project 540, motor transportation spare parts.
Funds specified for these parts totaling \$150,000 ourad, plus
\$200,000 obtained by postponing cement plant project, plus
\$50,000 each deducted from coal mining and logging allocations,
total \$450,000, should be applied to procurement of FY 48
Program for motor transportation spare parts totaling \$448,000
after cancellation of pages 51 through 56 or line items 1437
through 1603 page 2 radio from SCAP to Dept of Army dtd
4 Sept 1948 totaling \$17,000.

NOTE: CX 62841 is CM IN 1621 (9 Aug 48) CAD
ACTION: CAD



INFO: (STATE), OUS, PO, LOGD, FAOA, BUD, SANACC
IN 873 (5 Sep 48) DTG 040823Z jwk/4

~~SECRET~~

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority: NND 752086
By: [Signature] NARS, Date DEC 6 1974

COPY No.

65
36

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

*091
Wagon
Cross*

~~SECRET~~

PRIORITY

PARAPHRASE NOT REQUIRED. HANDLE AS SECRET CORRESPONDENCE
PER PARAS 511 and 60a (4) AR 380-5

From: SCAP Tokyo Japan

To: Dept of Army Wash DC; COMGENRYCOM Okinawa

Nr: C 63226

24 August 1948

Rerad WX 87672 18th August 48. This rad in 2 parts.

Part 1. To DA (CSCAD-Econ):

1. ETA Wash RYCOM Econ Rehabilitation Program approxi-
mately 10th September.

2. As ref radio is first intimation that requested
procurement was not initiated, further deferment of objec-
tives considered vital to Ryukyuan Mission will be necessary.
In order to intelligently program military government activi-
ties request SCAP be informed of all items on which procure-
ment was not initiated in FY 48.

3. Transportation costs Ourad CX 62841 in error. Re-
vised estimated from best data available here indicates
\$195,000 for project 550. Accordingly in order to stay within
2.4 million following projects must be revised: Project
510, para C, logging and sawmill machinery to \$250,000; Project
570, Para A, lumber to \$450,000; Para C, fish ~~to \$450,000~~, 000.

Part 2. To CG RYCOM. Since nonprocurement was initi-
ated on FY 48 requirements for spare parts motor and water
transportation request you inform CINCPAC immediately as to
whether DA should initiate support on FY 48 requirements not
in Wash or on revised FY 49 requirements submitted
here.

NOTE: CX 62841 is CM IN 1621 (9 Aug 48)

ACTION: CAD

INFO : CAD (State), CUS, PO, LOGD, FAOA, BUD, SANACC

CM IN 4927

(24 Aug 48) DTG 240415Z mae/4-

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority *NO 750086*

By *CR/HA* NARS, Date *DEC 6* 1974

File COPY No.

6535

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

~~SECRET~~
PRIORITY

PARAPHRASE NOT REQUIRED. HANDLE AS SECRET CORRESPONDENCE
PER PARAS 511 and 60a (4) AR 380-5

Civil Affairs Division
Maj Spreyer 6596

17 August 1948

SCAP

INFORMATION:

COMGENRYCOM

Number: WARX 87672

From CSCAD cite ECON. Reurads Aug WARX 86279, WARX 82882,
ured Aug CX 62841.

1. Comments ured noted.
2. Request you inform DA of ETA Wash RYCOM econ rehabilitation Program as prepared according to instructions set forth in part two, WARX 82882.
3. Re sub-para two, proj 530 and sub-para 3, proj 540, your requirement, FY 48 item number 186, proj 160 fwded under ltr HQ RYCOM Command, Mil Govt, APO 331, file AIMG-E 400.1, subj: MP list of spare parts and materials FY 48, dated 30 Mar 48 did not have supply action initiated on it by DA during FY 48. In absence of detailed reqmt under econ Rehabilitation Program, proj 540, FY 49, request you auth DA to initiate supply action on FY 48 reqmt to value of \$150,000. UR FY 48, item 157, proj 160, spare parts for water transportation did not have supply action initiated on it by DA during FY 48. In absence of detailed reqmt FY 49, proj 530, request you auth DA to initiate supply action on FY 48 reqmt in amt of \$250,000.



87672

(Aug 48)

4902

SATACC
65

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority NND 750086

By cp/gh NARS, Date DEC 6 1974

COPY NO.

(34)

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
OUTGOING CLASSIFIED MESSAGE

~~TOP SECRET~~
PRIORITY

Nr: WARX 87672

Page 2

4. Re sub-para four, proj 550, requested you verify transportation cost UR cable at \$42,000.

NOTE: CX 62841 is CM IN 1621 (9 Aug 48)

SAWACC SECRETARIAT

State Member	-----
Army Member	-----
Navy Member	-----
Air Force Member	----- <i>was</i>
Ass't State Member	-----
Ass't Army Member	-----
Ass't Navy Member	-----
Ass't Air Force Member	-----

 ----- *3/25*

 File -----

ORIGINATOR: CAD

DISTRIBUTION: CAD (STATE), OUS, PO, LOGD, FAOA, BUD, SAN ACC

CM OUT 87672

(Aug 48)

DTG 171612Z dwn

65

COPY NO.

(34)

THE MAKING OF AN EXACT COPY OF THIS MESSAGE IS FORBIDDEN

~~CONFIDENTIAL~~

THE STATE-ARMY-NAVY-AIR FORCE COORDINATING COMMITTEE
WASHINGTON, D. C.

*Fitzg. Field**Make new file*

9 August 1948

MEMORANDUM FOR: The Industrial College of the Armed Forces
(Attention: Colonel H. P. Hennessy)

Subject: Classification of Material

Reference is made to your memorandum dated 17 May 1948 requesting information on the present classification of a series of studies on Japanese industrial products prepared in 1941 by an interdepartmental committee of the U.S. Government. It would appear from a study of these series now in possession of the Department of State that the classification has never been changed from its original one of Confidential. It should be noted, however, that the functions of the Office of the Administrator of Export Control, for whom these studies were prepared, were taken over by the Office of International Trade of the Department of Commerce after a number of intermediate wartime changes. Perhaps OIT would have the power to declassify these studies. Examination of these studies by the Department of State on Glass and Glassware, Pottery, Raw Cotton, and Raw Silk and Silk Waste, would indicate that in their judgment they do not contain any data that could not be declassified at this time.

If the Industrial College of the Armed Forces is desirous of having the documents in question downgraded, it is suggested that an approach be made direct to the Department of Commerce.

For the SANACC Secretariat:

V. F. FIELD
Lt. Col., GSC
Security Control
Officer, SANACC

~~DECLASSIFIED~~
E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority: U.N.D. 750086
By: [Signature] NARS, Date: DEC 8 1974

~~CONFIDENTIAL~~~~CONFIDENTIAL~~

(33)

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

WV EG
091 Japan War
Misc 9
2m

~~SECRET~~
PRIORITY

PARAPHRASE NOT REQUIRED. HANDLE AS SECRET CORRESPONDENCE
PER PANAS 511 and 60A (4) AR 380-5

From : SCAP Tokyo Japan
To : Dept of Army for CSCAD
Info : COMGENRYCOM
Nr : CX-62841

7 August 1948

Economic. Reurad WARX 86279. Following are comments requested part 1 para 2 regarding impact of reduced fiscal year 49 economic rehabilitation of occupied areas allocations on fiscal year 50 rehabilitation requirements for Ryukyus. Drastic reduction in economic rehabilitation of occupied areas funds from dollars \$15,763,200 to maximum of \$4,800,000 with probability of lesser amount becoming available during fiscal year 49 necessitates complete deferment of broader rehabilitation plans. Strategy for 1949 will therefore concentrate on advancing certain minimum industrial potentialities and developing the natural resources. Impact in terms of increased dollar requirements for fiscal year 50 is a controllable factor and will be kept to minimum. Because of postponement to certain capital improvements Ryukyus will be unable to economically utilize substantially increased imports. It is therefore anticipated that such increases for fiscal year 50 economic rehabilitation of occupied areas will not exceed 10% over the figure already submitted. Under this general conception the following, totalling \$2,397,000, are revised economic rehabilitation of occupied areas requirements for the first 6 months fiscal year 49;

1. Project 510.

A. Coal mining machinery repair and replacement parts-\$150,000. Total coal requirements for potteries, brick and tile plants, salt and

CM TW 1621 (9 Aug 48)

4887

~~SECRET~~

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority 440750086
By ce/aw NARS, Date DEC 6 1974



DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

~~SECRET~~
PRIORITY

Nr : CX-62841

Page 2

production, electric power plants, etc. Is estimated at 28,000 tons annually. Indigenous coal production can be developed on Iriomote Island, with provision of proper mining equipment.

B. Cement plant machinery repair and replacement parts-\$250,000. Annual cement requirements for rehabilitation, agricultural reclamation projects, road and harbor facilities, building foundations, docks and piers and sanitation installations are 197,600 tons annually. All raw material except gypsum is available for indigenous production of cement. Amount requested will enable Ryukyus to produce about 1-3 its annual requirements if coal production referred to in A above is realized.

C. Logging and saw mill machinery-\$300,000. Lumber requirements are critical. Expansion of present logging and saw mill facilities in amount requested will increase present production to two million board feet per year.

D. Phosphate mining machinery-\$150,000. Ryukyus requirements for superphosphate are presently being met from indigenous rock shipped to Japan and reimported as superphosphate. This project will provide rock crushing and processing facilities in the Daitos Islands, which will permit indigenous production of superphosphate.

E. Dehydration equipment-\$30,000. Major problem is the islands with limited rapid distribution facilities is preservation of the

CM IN 1621 (9 Aug 48)

COPY No.

65
32

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

~~SECRET~~
PRIORITY

Nr : CX-62841

Page 3

sweet potato crop, losses of which are at present as high as 30%. Amount requested will provide minimum dehydration units which will result in preservation of a substantial percentage of sweet potato yield.

F. Refrigeration equipment-\$75,000. Lack of adequate distribution facilities similarly affects preservation of fish catch. Provision of these additional units will reduce spoilage losses.

G. Miscellaneous industrial machinery-\$100,000. This expenditure will restore small industries such as hat weaving and finishing plants, woodworking, clay mixing and grinding, button manufacture, iron works, lacquer ware industries, tile and brick plants and native silk weaving industry. The latter item alone had a prewar export value of three and one-half million yen, contributing 44% of the total tax collections in the northern Ryukyus.

2. Project 530.

Water transportation spare parts-\$250,000. This amount necessary to meet minimum maintenance requirements to keep present Ryukyuan water fleet in operation.

3. Project 540.

Motor transportation spare parts-\$150,000. This represents the minimum expenditure necessary to maintain operation of present motor fleet. No additional

CM IN 1621 (9 Aug 48)

~~SECRET~~
COPY NO. 65
32

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE

~~SECRET~~
PRIORITY

Nr : CX-62841

Page 4

vehicles are included in this request.

4. Project 550.

Transportation-\$42,000. This represents estimated cost of transporting revised import requirements.

5. Project 570.

A. Lumber-\$500,000. This represents reduced request for lumber for construction of 40 new fishing vessels. At present military craft which are rapidly deteriorating are being used to supplement Ryukyuan fishing boats. They are uneconomical, particularly from the standpoint of petroleum oil and lubricants consumption and maximizing catch. Production of vessels will substantially increase the total fish catch reducing the need for importation of foods from the United States.

B. Fish nets-\$400,000. This is substantially reduced requirement and considered the minimum necessary to properly utilize existing fishing facilities.

Commanding General Ryukyus Command states above represents best interim comments feasible with limited time allowed by urad WARX 86279. Revised requirements for fiscal year 50 by projects will be airmailed from here soonest after consultation in Tokyo with Ryukyus Command representatives. Long range program for Ryukyus requested in part 2 urad will be airmailed from here in approximately 60 days.

ACTION: CAD

INFO : CAD (STATE), OUS, PC, LOGD, FAOA, BUD, SANACC

CM IN 1621 (9 Aug 48) DTG 070527Z

wjk

COPY NO. 65
32

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON 25, D. C.

DEPARTMENT OF STATE
WASHINGTON



July 29, 1948

To: SANACC - Lt. Col. V. F. Field

From: DRF - Charles C. Stelle *CCS*

Subject: Request for reclassification of studies

Reference is made to the attached memorandum from Col. H. P. Hennessy of the Industrial College of the Armed Forces to SANACC requesting information on the present classification of a series of studies on Japanese industrial products prepared in 1941 by an interdepartmental committee of the US Government. It would appear from the studies in this series that this Division has in its files that the classification has never been changed from its original one of confidential. It should be noted, however, that the functions of the Office of the Administrator of Export Control, for whom these studies were prepared, were taken over by the Office of International Trade of the Department of Commerce after a number of intermediate wartime changes. Perhaps OIT would have the power to declassify these studies. Examination of the studies from this series in our files on Glass and Glassware, Pottery, Raw Cotton, and Raw Silk and Silk Waste, would indicate that in our judgement they do not contain any data that could not be declassified at this time.

WSH
DRF:WSHunsberger(*SN*mer):tk

(3)

CONFIDENTIALTHE INDUSTRIAL COLLEGE OF THE ARMED FORCES
WASHINGTON, D. C.

WDOIC 312.1

17 May 1948 ✓

SUBJECT: Classification of Material

TO: State, Army, Navy and Air Force Coordinating Committee
Room 2225 New State Department Building
21st & Virginia Avenue N.W.
Washington 25, D.C.

1. This office has a series of reports prepared in 1941, titled "The Economic Vulnerability of Japan, all classified confidential. It is requested that we be advised whether or not these reports have been re-classified. The series is as follows:

"The Economic Vulnerability of Japan in Machinery, Iron & Steel, Rubber, Glass and Glassware, Food and Miscellaneous Agricultural Products, Fish, Shellfish and Fish Livers, Hides and Skins, Leather and Leather Manufacturers, and Furs, Forest Products and Manufactures, Mica, Quartz Crystal, Motive Products, Raw Cotton, Pottery, Fats and Oils, Food and Miscellaneous Agricultural Products, Miscellaneous Vegetable Fibers, Ferro-Alloys, Hides and Skins, Raw Cotton, Copper, Graphite, Raw Wool, Raw Silk and Silk Waste, Chemicals, Fertilizers and Related Products, Asbestos, Bauxite and Fluorspar, Pottery, Petroleum, Optical Glass, Rare Non-ferrous Metals and Manufactures, Nonmetallic Minerals, Abrasives"

all prepared by Interdepartmental Committees on the various products.

2. Also in the series are two reports dated April 1941 titled "Economic Vulnerability of the United States and Japan--Miscellaneous Products and Textile Manufacturers".

3. Information is requested as to the present classification of the above reports. If further information is desired, it can be supplied by our Classified Files Section, Dial Code 150, Extension 437.

H. P. Hennessy
H. P. HENNESSY
Colonel, CAC
Executive Officer

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 5(D) or (E)
Authority NND 750086
By CR/STP NARS, Date DEC 6 1974

**CONFIDENTIAL**

CONFIDENTIAL

091 Japan

WDOIC 312.1

17 May 1948

SUBJECT: Classification of Material

TO: State, Army, Navy and Air Force Coordinating Committee
Room 2225 New State Department Building
21st & Virginia Avenue N.W.
Washington 25, D.C.

1. This office has a series of reports prepared in 1941, titled "The Economic Vulnerability of Japan, all classified confidential. It is requested that we be advised whether or not these reports have been re-classified. The series is as follows:

"The Economic Vulnerability of Japan in Machinery, Iron & Steel, Rubber, Glass and Glassware, Food and Miscellaneous Agricultural Products, Fish, Shellfish and Fish Livers, Hides and Skins, Leather and Leather Manufacturers, and Furs, Forest Products and Manufactures, Mica, Quartz Crystal, Motive Products, Raw Cotton, Pottery, Fats and Oils, Food and Miscellaneous Agricultural Products, Miscellaneous Vegetable Fibers, Ferro-Alloys, Hides and Skins, Raw Cotton, Copper, Graphite, Raw Wool, Raw Silk and Silk Waste, Chemicals, Fertilizers and Related Products, Asbestos, Bauxite and Fluorspar, Pottery, Petroleum, Optical Glass, Rare Non-ferrous Metals and Manufactures, Nonmetallic Minerals, Abrasives"

all prepared by Interdepartmental Committees on the various products.

2. Also in the series are two reports dated April 1941 titled "Economic Vulnerability of the United States and Japan--Miscellaneous Products and Textile Manufacturers".

3. Information is requested as to the present classification of the above reports. If further information is desired, it can be supplied by our Classified Files Section, Dial Code 150, Extension 437.

H. P. HENNESSY
Colonel, CAC
Executive Officer

sent to Mr. Lydman, DRF for basis of reply

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

Authority 110750256By CPD NARS, Date DEC-6- 1974~~CONFIDENTIAL~~

30

DEPARTMENT OF THE ARMY
STAFF MESSAGE CENTER
INCOMING CLASSIFIED MESSAGE



~~SECRET~~
OPERATIONAL PRIORITY

PARAPHRASE NOT REQUIRED. HANDLE AS SECRET CORRESPONDENCE
PER PARAS 511 and 60a (4) AR 380-5

From: SCAP Tokyo Japan
To: Dept of Army for CSCAD ECON
Nr: C-62802 5 August 1948

Reurads WARX 85777, 86279. Subject is effects of 49 appropriations on 50 rehabilitation appropriation request.

1. Original requirement for rehabilitation funds shown in budget document for 50 rehabilitation taken to Washington by theater team is a minimum amount. It is not possible to review situation fully by 5 August deadline in view of need for more complete information regarding 49 funds picture. It is impossible clearly to assess effects of reduced 49 rehabilitation funds on 50 rehabilitation requirements due to: A. Complete lack of knowledge concerning availability of funds in second half FY 49.

B. Uncertainty regarding timing or methods of operating the \$150,000,000 revolving fund or Japans share thereof, and

C. Lack of firm knowledge regarding amount or distribution of GARIOA funds under project 160 and similar considerations.

2. It is necessary for purposes even of preliminary overall review of 1950 picture to assume:

A. Immediate availability of \$51,400,000 rehabilitation fund for commitment and procurement in first six months FY 49.

CM IN 844 (5 Aug 48)

DECLASSIFIED
E.O. 11652, Sec. 3(E) and 5(D) or (F)
Authority AMP 75086
By col/... NARS, Date DEC 6 1974

~~SECRET~~

Jagrace
37

COPY NO.