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to appreciate that there is anything particularly unreasonable in that nor can I appreciate how that can be suggested in any way as being needling the Supreme Commander.

MR. MAKIN: Yes.

MR. POWLES: There is no intention of needling the Supreme Commander at all. We all recognize the difficulties, and the attitude of my own Government on the question of the coastal patrol has been made abundantly clear several times. But there are those two substantive divisions that I referred to in my remarks last meeting. The first is the major question of disarmament upon which we are all interested. On that point, sir, you said that the bill was a bill which looked a long way to the future. Well, of course that is just the very difficulty. It does look a long way into the future and the future is complicated by the fact that there is going to be, we hope, a peace treaty sooner or later and things which are done now will inevitably influence the content of that peace treaty, in spite of the fact that some of the things that are done now are things in which some of the powers interested in the peace treaty may have not a sufficient voice at the present moment. Consequently, all weight, as far as I can see, of reason and of logic and on the side of those who say, "Well now, just don't be in such a hurry. Let's think this thing out. Let's get the Japanese to hold their horses for a little while and let's see what is involved in this".

Then there was the second issue of substance that concerns the relations of the Japanese with foreign nationals so ably presented by the French Ambassador this morning, and I think that that is a question which comes very much underneath the jurisdiction of the Far Eastern Commission. And there again we just want to see where we stand. We don't have the text of the act as it was passed. I don't mind very much whether that much-discussed ordinance has

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been issued or hasn't. I don't think it is relevant to our question. We don't have the text of the bill; we don't have the statement of the reasons why it is urgent; nor do we have the statement of the manner in which the coastal patrol is going to be set up. The statement that we have indicates just in one respect that the matter hasn't been properly thought out because the Supreme Commander says, in reference to the arms, that the Maritime officials are going to have side arms---there is no source of supply. They are to be allowed to have side arms but they aren't going to be allowed to get them from anywhere. I don't think that has been properly thought out. And then again, with reference to the ships that are to be used, he makes reference to the fact that they may be ex-naval vessels or they may not be. They may be new construction, but possibly some of both. There again it hasn't been properly thought out. We are concerned in these things and when I say "we" I mean the nations who feel we have some responsibility for Japan, and all we ask is that there shouldn't be so much of a hurry because we have not been convinced that there is any reason for hurry. And consequently I think it's reasonable and proper for us to pass this policy decision this morning.

GEN. MCCOY: Any further comment?

MR. NEHRU: Mr. Chairman, I have listened with great respect to the arguments that have been put forward both for and against this proposal of the Steering Committee. There is one point about which I am not quite clear. His Excellency, the Australian Ambassador, pointed out, and I think there is great force in what he said, that it is wrong that a Japanese unit should have some authority of a kind which is currently being assigned to it under this act in respect of Allied nationals. But it does seem to me, sir, that there must be other branches of the Japanese administration which do exercise some sort of authority. There may be a police force

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which, presumably, exercises some authority over both Allied and Japanese nationals in Japan. It seems to me that we must be clear in our minds. If the Supreme Commander is governing Japan, then he must have authority, whether directly or indirectly, through Japanese units to exercise all the functions of a governing authority. We must either assign this power to the Supreme Commander or to some other authority, but, so long as the Supreme Commander is there, so long as our present setup is in existence, it seems to me that we have got to let him exercise the authority which any governing--- normal governing authority would exercise.

On the merits of this question, sir, however, in the Steering Committee the Government of India's representative abstained from voting and we propose to abstain again for this reason. There are two points raised in the United States document, firstly, whether or not the Far Eastern Commission has the jurisdiction to adopt a policy decision on the lines indicated in the Steering Committee's draft, and, secondly, whether or not the Maritime Safety Authorities Bill contains any provision which is not in conformity with any policy decision taken by the Far Eastern Commission.

On the first point, sir, we have not the slightest doubt that a policy decision can be taken by the Far Eastern Commission. But, as regards the second point, as other representatives have also pointed out, we are handicapped by the fact that we don't quite know what the exact provisions of this act are. It is not possible to say whether the act contains any provision which is repugnant to a policy decision of the Far Eastern Commission unless we have had an opportunity of studying the final text. Besides, sir, as you have pointed out, it is always open to us at a later stage, after we have studied the provisions of the act, to take a policy decision in the matter. Because of this lack of information, and because of the other aspects, which you have rightly pointed out, the need

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is for some strong administrative control to allow the governing authority in Japan to exercise the powers of a governing authority, subject, of course, to whatever control the Far Eastern Commission exercises. We feel that on the whole it would be better to abstain from voting on the proposal of the Steering Committee.

MR JOVELLANOS: "Mr. Chairman, the issue before us is significantly important. It touches on a subject which my Government considers to be inextricably linked with the peace in the Pacific - the peace we have fought for and are striving presently to preserve for all time.

"During the two years of its existence, the Far Eastern Commission has adopted policies setting forth the ultimate objectives of the occupation of Japan and the general principles in attaining these objectives. After prolonged negotiations, the Commission on February 12, 1948, passed a policy on the disarmament of Japan. This policy not only formalized the splendid accomplishments of SCAP in this field but also provided certain restrictions on future Japanese military and related activities.

"On April 15 the Japanese Diet passed a bill creating a group of agencies among which is a coastal patrol force. It has been pointed out in Steering Committee discussions, that, unless substantial amendments to the text now available have been made, certain provisions appear to be inappropriate at this time or other wise in conflict with the Commission's disarmament policy.

"The New Zealand proposal seeks to afford governments around this table adequate opportunity to consider the merits and implications of the law before its implementation--an opportunity which has not been available because of the short notice given us before its enactment. For this reason my Government supports FEC-305/11."

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GEN. MCCOY: Any further discussion?

ADM. RAMSIVHILI (Through interpreter): Mr. Chairman, before the Soviet delegation defines its position with regard to the New Zealand proposal, the Soviet delegation has an amendment to the wording of the New Zealand proposal which was submitted at the Steering Committee's level and is going to be submitted to the Far Eastern Commission here, which we consider the official organ of the Allied Powers.

Now I would like to make some remarks on the question as a whole. The question as to the legality of our intention to take measures to hold up the passing of a law--the Soviet delegation has no doubt whatsoever that this is not only our right but also our duty to do so. The legal and formal aspects of the matter of this particular aspect were presented at the Steering Committee's level and here and I fully support them. I would like, however, to point out one particular circumstances. To say that it would be an interference with the normal functioning of a Japanese Government if the Commission acts as it is proposed would be unjustified. On the contrary, a normal state of affiars would be that the Supreme Commander, to whom the Japanese Government is subject, should undertake certain measures which would hold up the passing of such a bill. I would like to reiterate that this would be just the normal procedure since the Japanese Government is under the Supreme Commander. The New Zealand proposal, as I understand it, Mr. Chairman, doesn't require anything but holding up the enactment of the law until opportunity has been afforded to study it. However, although the Soviet delegation considers the New Zealand proposal inadequate, nevertheless the Soviet delegation doesn't understand why such a proposal should meet with objection.

Mr. Chairman, you said that it was not important when the Far Eastern Commission acted, either before the enactment of the law

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or after that. I consider this statement incorrect because it is always better to make amendments to the bill before it is enacted rather than after it has been enacted.

The second point that has been brought by you, Mr. Chairman, this morning, is that the alleged interference on the part of the Far Eastern Commission with the functioning of the Japanese Government is undesirable. As the reasons for this undesirability you pointed out the following. You [redacted] claim that the law did not contravene any policy decisions of the Far Eastern Commission and that therefore there were no grounds for holding up the enactment of it. I would like, however, Mr. Chairman, that you take into consideration the fact that this is only the opinion of one single member of the Far Eastern Commission. As far as the other members of the Commission are concerned they expressed serious objections to this law this morning and before. A number of concrete and official amendments have been suggested there since the question arose, in particular we have a United Kingdom amendment. So the situation as it is at present seems to be such that one member of the Commission considers that the law that was passed by the Japanese Diet is timely and should be enacted. On the other hand, the other members—many of the other members of this Commission consider that this is not the case, and I would like at least to have the opportunity to study this matter further. If one follows the Terms of Reference of the Far Eastern Commission one should draw a natural conclusion that the decisions of the Far Eastern Commission should not be governed by the opinion of one single government but by the whole Commission and the opinion of a single government could not serve as a foundation that the Far Eastern Commission should give up its rights.

Now, summing up, I would repeat that the question is this, whether to agree without any discussion and without having seen the very text of the law with one government or obtaining the opportunity to express their own opinions before the law has been enacted. I

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would consider that this would be the proper and natural procedure if the United States Government would support the New Zealand proposal and thereby gave the opportunity to the Far Eastern Commission to consider this matter further.

I would like also to say one word or two with regard to the statement made by the Chairman concerning the question of a peace treaty which was referred to this morning. As far as I understood from the Chairman's statement, he said that, since the signature of the peace treaty is delayed, the United States Government could go ahead independently and set out policy with respect to Japan. The Commission has had several cases when the United States Government is trying to act independently without consulting the Far Eastern Commission Powers. The Soviet delegation considers that the fact of the delay of signing the peace treaty with Japan does not give the right to anybody to act independently ignoring the opinions of the others and I would consider such a tendency as an improper one. This tendency in the particular question before us, that is, the tendency to act independently, has been expressed in the following way. It is not correct to say that the question of a Japanese coastal patrol was put before the Diet, that is, prior to the question having been raised here in the Far Eastern Commission, and in this the Soviet delegation sees the violation of the Far Eastern Commission's rights. The second and fundamental violation is the one with which we are confronted now when considering the New Zealand proposal, which proposal simply suggests to hold up the enactment of the law and thereby give opportunity to the Far Eastern Commission to express its opinions. And it is a violation of the Terms of Reference of the Far Eastern Commission to deprive the Commission of such rights.

MR. REUCHLIN: Mr. Chairman, I haven't yet spoken, and may I just briefly put before you our position.

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In the view of the Netherlands delegation the desire as expressed in the New Zealand proposal, to suspend the enforcement of the law under discussion, is in our opinion a legitimate and a reasonable desire and within the full competence and jurisdiction of the Far Eastern Commission. You yourself, Mr. Chairman, this morning said that the Commission must be aware of its responsibilities. I think it is exactly what the New Zealand representative has in view, that is, that the Commission should be able to carry out its responsibilities, and at the present moment I feel that the Commission is not in a position to carry out its responsibilities because it is not in possession of this bill as it passed. In the Steering Committee already ten days ago the question was asked to the United States representative whether the bill as passed had undergone any changes. That question could have been answered by telegram with a "yes" or a "no". Yet, at the present moment, the only answer that we have is that the bill has been mailed. Therefore, I don't think that the Commission is in a position to carry out its responsibilities, and for that reason my instructions are to vote for the New Zealand proposal.

GEN. MCCOY: I believe the Soviet representative has an amendment to offer?

ADM. RAMISHVILI: Yes, Mr. Chairman. This amendment was already presented in the Steering Committee and it reads as follows: substitute the following words "adopted a policy decision on this question" for the words "had an adequate opportunity of [redacted] studying the matter", so that the whole proposal should read as follows:

"The Japanese should not set up or operate any coastal patrol or coast guard service until the Far Eastern Commission has adopted a policy decision on this question."

The Soviet delegation considers that without such an amendment the New Zealand wording would be inadequate--insufficient.

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MR. POWLES: Mr. Chairman, the Soviet amendment, in my opinion, would have the effect of tying the hands of the Far Eastern Commission in that the Commission would be compelled to adopt a policy decision on the matter if the Soviet amendment were passed. On the other hands, in my view, it may be the Commission's will in the future either to adopt a policy decision or not to adopt a policy decision, and my particular proposal leaves the Commission free to take either of those courses. Consequently, as I indicated in the Steering Committee, I am not prepared to accept the Soviet amendment.

GEN. MCCOY: Any remarks on the Soviet amendment? Do you wish your amendment put to a vote, Admiral?

ADM. RAMISHVILI: Yes, Mr. Chairman. I just wanted to say a few words. One doesn't have to give raise to fantasy to imagine what would happen if the Soviet delegation's proposal is adopted because there were some considerations that will tie the hands of the Far Eastern Commission, et cetera. If the Far Eastern Commission considers this draft of the bill and finds it is adequate, it can adopt a policy decision that this draft is good and that will be the policy decision. So I don't think that any inconvenience or any danger of adopting the Soviet delegation's proposal. The New Zealand delegation's proposal is good in its intent, but it does not go far enough to allow the Far Eastern Commission necessary time to consider this question and to take necessary action. And if we adopt this policy decision we will be confronted again with lack of time and there might be some consideration that this discussion should be finished and we will be confronted with the same situation. For this reason, Mr. Chairman, I ask you to put my proposal to a vote.

GEN. MCCOY: Gentlemen, are you ready to vote on the Soviet amendment? Will the Secretary General please read the amendment?

MR. JOHNSON: The amendment is eliminate the words "had an adequate opportunity of considering the matter" which appear at the

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end of the New Zealand paper and substitutes therefor the words "adopted a policy decision on this question", so that the amended paper would read:

"The Japanese should not set up or operate any coastal patrol or coast guard service until the Far Eastern Commission has adopted a policy decision on this question."

GEN. MCCOY: We will take the ayes and nays on the amendment as read. The Soviet representative:

ADM. RAMISHVILI: For.

MR. JOVELLANOS: I will abstain, Mr. Chairman.

MR. POWLES: Against.

MR. REUCHLIN: Against.

MR. NEHRU: Abstain.

MR. NAGGIAR: Against.

DR. KOO: Abstain.

MR. COLLINS: Against.

MR. MAKIN: Against.

GEN. MCCOY: Against.

MR. GRAVES: Against.

MR. JOHNSON: The voting, Mr. Chairman, is 1 in favor; 7 opposed; and 3 abstentions, so that the motion is lost for lack of a majority.

GEN. MCCOY: The motion of the New Zealand representative is now before you. Are you ready to vote on it? I will call for the ayes and nays. The Philippines:

MR. JOVELLANOS: For.

MR. POWLES: For.

MR. REUCHLIN: For.

MR. NEHRU: Abstain.

MR. NAGGIAR: For.

DR. KOO: For.

MR. COLLINS: Against.

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MR. MAKIN: For.

GEN. MCCOY: Against.

MR. CRAVES: For.

ADM. RAMISHVILI: Abstention, Mr. Chairman.

MR. JOHNSON: The vote on the paper FEC-305/11, Mr. Chairman, 7 for the paper; 2 opposed; and 2 abstentions. The paper is lost because of veto.

MR. POWLES: Mr. Chairman, before we leave that item there is a procedural question. My policy proposal dealt only with a portion of the Maritime Authorities Bill, the draft of which had previously been placed on the agenda, and I want to be sure that the Bill itself still remained on the agenda and the Commission might think fit, perhaps, to remit that part of its agenda to the Steering Committee again.

GEN. MCCOY: That will be done, if there is no objection.

ADM. RAMISHVILI: I fully support that, Mr. Chairman.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3; FEC-300/6, 300 series)

GEN. MCCOY: FEC-300/3 is a proposed policy decision approved on 24th of March by the Steering Committee by a vote of 5 to 2. The United States and Philippine members opposed the proposal. The Chinese, Indian, Soviet, and United Kingdom members abstained. FEC-300/6 is a substitute for FEC-300/3, submitted by the United States representative on 15 April. Is there any further comment or discussion on these two proposals before the Commission?

MR. CRAVES: Mr. Chairman, I would like, with your permission, to make a remark on FEC-300/6, which is the alternative proposal by yourself.

We do not in any case wish the delegates representing the interests of the Japanese Government--whether Japanese or not--to exercise the full rights of members in inter-governmental organizations in advance of the signature of treaty of peace or some

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instrument with similar effect, and we cannot agree that SCAP representatives at inter-governmental conferences should have any higher status than that of non-voting observers. That is our position on this particular proposal FEC-300/6.

ITEM 4 - TREATMENT OF JAPANESE ASSETS IN NEUTRAL COUNTRIES (FEC-295/1)

ITEM 5 - CIVIL AVIATION IN JAPAN (FEC-245/18; -/19, -/16)

ITEM 6 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, -/1, -/2)

ITEM 7 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

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

(No discussion of above items.)

ITEM 8 - OTHER BUSINESS

None.

GEN. MCCOY: Gentlemen, we have reached the hour of 12:30, and I would be glad under the circumstances to know your wishes as to adjournment. Is there a motion for adjournment.

MR. JOVELLANOS: I will be willing to move for adjournment, Mr. Chairman.

GEN. MCCOY: If there is no objections, we will adjourn until the next stated meeting.

(The meeting adjourned at 12:30 P.M.)

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FAR EASTERN COMMISSION

Transcript of One Hundred Fifth Meeting of the Far Eastern Commission,

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

Thursday, May 6, 1948

NOTE: The attention of all concerned in invited to the classification of this document which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

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CONFIDENTIAL

FAR EASTERN COMMISSION

Transcript of One Hundred Fifth Meeting of the Far Eastern Commission, Held in Main Conference Room, 2516 Massachusetts Avenue, N. W. Thursday, May 6, 1948

Representatives Present

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

Secretary General

Mr. Nelson T. Johnson

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

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(The one hundred fifth meeting of the Far Eastern Commission, 2516 Massachusetts Avenue, N.W., Washington, convened at 10:40 A.M., 6 May 1948, Major General Frank R. McCoy, Chairman.)

GEN. MCCOY: Good morning, gentlemen. Our session will open.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED FOURTH MEETING

GEN. MCCOY: We will have consideration of the minutes of the previous meeting. I think the Secretary General has a correction to state.

MR. JOHNSON: Mr. Chairman, the Secretariat apologizes. It has issued a corrigendum of the minutes only to discover that in this corrigendum, on page 8, as revised on the 5th of May, in the last sentence of the second paragraph attributed to Admiral Ramishvili, the word "preferable" should read "normal". In undertaking to correct it we failed to do it. The word "preferable" should read "normal". That's in the corrected page.

GEN. MCCOY: Are there any other corrections or comments on the minutes? There seems to be none.

If there is no objection, the minutes will be made a matter of record.

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ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/6, 300 series)

GEN. MCCOY: Item 2 remains on our agenda without any apparent meeting of minds. There is before you the paper that came from the Steering Committee. I might call that the New Zealand paper, may I? Would that describe it?

MR. FOALES: Well, perhaps, sir, I might permit you to do so without necessarily fathering the whole paper.

GEN. MCCOY: Although it was forwarded by a vote of 5 to 2, the United States and Philippine members opposed the proposal. The Chinese, Indian, Soviet, and United Kingdom members abstained. There was a substitute, FEC-300/6, submitted by the United States representative on 15 April. There was not at the last meeting any comment on either of these papers. The general subject, as you remember, has been pretty well discussed but, in view of the specific papers now before the Commission, it is possible that some members may have reached a consideration that they would like to discuss or put before the Commission.

MR. MAKIN: "Mr. Chairman, the question of Attendance at Inter-Governmental Conferences has been under consideration in the Far Eastern Commission for a considerable length of time. It is the view of my Government that the Far Eastern Commission should reach a decision on this question one way or the other and as soon as possible.

"We know from recent experience that there is a disposition on the part of the Supreme Commander to bypass the Far Eastern Commission on questions of this nature, and I shall have something further to say on that general question later in the morning. I feel sure that, after the long history which the question of the Attendance at Inter-Governmental Conferences has had in the Far Eastern Commission, we must all by now be well instructed on the various issues involved.

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"Speaking on behalf of Australia, I am in the position to state that I am able to support FEC-300/3; I am unable to support FEC-300/6. I should like to suggest, Mr. Chairman, that both these papers be brought to a vote this morning. Any further delay might leave this Commission open to further faits accompli which would be a direct challenge, I feel, to the authority of this Commission."

MR. RAUCHLIN: Mr. Chairman, may I refer to the remarks made at the last meeting by the United Kingdom representative and be permitted to associate myself with those remarks also. It is also our opinion that the SCAP representatives at inter-governmental conferences should not have any higher status than that of non-voting observers. In the FEC-300/6 paper mention is made of representatives, and it is on that point that I want to associate myself with the United Kingdom.

MR. BANERJI: Mr. Chairman, our delegation has given the revised proposal submitted by the United States member and incorporated in FEC-300/6 careful consideration. We find, Mr. Chairman, that the United States proposal differs from the proposal approved by the Steering Committee in two important respects: firstly, as the United Kingdom member has pointed out at the last meeting, in this revised proposal the United States suggests that SCAP's representatives or observers should have voting power. We are unable to accept that point. We do not think, for the reasons advanced by the United Kingdom representative, that SCAP's observers should have voting power similar to that enjoyed by representatives of sovereign countries. The second point of difference, Mr. Chairman, is that the United States proposal seeks to broaden the scope of these conferences, that is to say, in the Steering Committee paper it is proposed to be limited to only technical inter-governmental conferences, but I find that in the United States paper it is pro-

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posed to extend it to all inter-governmental conferences. We have no particular objection to this broadening of the scope, but, in view of the fact that the majority of the members in the Steering Committee was unable to accept the extention of the scope of these conferences, we think that it would expedite the adoption of this paper if we support the proposal contained in FEC-300/3.

MR. MACGIAR: Mr. Chairman, the French delegation at the Steering Committee approved FEC-300/3 and if it is put to a vote today I think I would have to approve too. The objection of the French delegation to the proposal of the American delegation is based on two points. As long as there is no treaty of peace the French Government cannot accept any Japanese representative in any governmental conference with other capacity than purely that of observers. We consider that, as there is no treaty of peace and no document that could be equivalent to a treaty of peace, no representative of the Japanese Government or SCAP could participate in an inter-governmental conference with voting powers. The second point is that, as long as there is no other decision either taken on the diplomatic level by the consent of this Commission, the French Government would not like to receive representatives of SCAP with or without Japanese experts in any other conference than a technical conference. Such being the case, Mr. Chairman, I am prepared to vote in favor of paper FEC-300/3 if it is put to a vote this morning.

MR. JOVELLANOS: Mr. Chairman, my Government cannot support the United States proposal in FEC-300/6. However, in the interest of getting a policy decision on the subject, we are prepared to revise our position on FEC-300/3 and support it with a statement which I will present.

DR. KOO: Mr. Chairman, in the past the Chinese delegation has found some difficulty in entertaining the idea of Japanese technical

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personnel accompanying observers to technical inter-governmental conferences unless they are approved by the Far Eastern Commission, but it seems that a majority of the members of the Commission do not see much objection to this point. They appear to be disposed to accept such Japanese technical personnel accompanying observers appointed by SCAP to these technical inter-governmental conferences when deemed necessary by SCAP. In order not to delay a policy decision on this question which has been engaging the attention of the Commission for so long, my Government is prepared not to insist on its objection to this point of Japanese technical personnel accompanying observers to the technical inter-governmental conferences when the accompaniment by such Japanese technical personnel should be deemed necessary by SCAP.

In regard to the latest United States amendment to revise this proposal, we find that the first point suggested to enlarge the scope and nature of the representation--by representatives as well as observers--would raise a series of questions of a legal character relating to the present international status of Japan in such conferences and, in the absence of any definite peace settlement--peace treaty--that the presence of these representatives on the same footing as representatives of governments would complicate the work of the conference, and that from the practical as well as the legal point of view it is perhaps a little too early--premature--to have full representatives from the SCAP to these inter-governmental conferences.

So in my Government's final instructions to our delegation, our delegation desires to make it clear that it would be preferable to confine at this stage the participation of SCAP on behalf of Japan to the appointment of observers and not to include personnel in a capacity of full representatives.

Then, as regards the question of the nature of these

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inter-governmental conferences to which such observers may be appointed, my Government prefers to include--retain--the word "technical" as is proposed in paper FEC-300/3. We think that, in the light of the definition or explanation of the character and the scope of the word "technical" given in the paper presented by the New Zealand delegation, it seems to make it quite clear that the appointment of observers should be at the present confined to technical inter-governmental conferences. I think that my Government finds that some qualification--some limitation to technical inter-governmental conferences would be justified at this stage, and to embrace all inter-governmental conferences would be open to objections from many points of view. Therefore, my Government is prepared to accept the paper FEC-300/3 as it stands.

MR. GRAVES: Mr. Chairman, last week I stated the United Kingdom position on the proposal which has been put forward by the United States delegation. We had hoped for a compromise solution on this and we had rather hoped that the United States proposal would have been somewhere nearer FEC-300/3 or the earlier papers which we have dealt with over a very long period. But that is not so. FEC-300/6 seems to us to go very much farther away and I should, therefore, if this is put to the vote this morning, have to vote against FEC-300/6 and in the circumstances vote for FEC-300/3.

MR. COLLINS: Mr. Chairman, like my Australian colleague we are most anxious to get a policy on this question. At the previous discussions in the Steering Committee and elsewhere, we have supported the proposal in FEC-300/3. But my Government has given careful consideration to the proposed United States substitute, FEC-300/6, and has also taken note of the statement of the United Kingdom member at the last meeting, and, in the interests of achieving a policy decision, we are prepared to accept either FEC-300/6 or FEC-300/3. I realize that there are some substantial differences

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between the two, particularly in connection with the problem of non-voting observers. However, the representatives mentioned in FEC-300/6 are members of SCAP's staff and, in a sense, I believe that their presence at any inter-governmental conference would be in a semi-technical nature. They would not actually be representatives of Japan. Moreover, it is our view that a conference itself probably has sufficient responsibility and authority to make a decision, if the conference decides that it is in the best interests of their work to allow the representative of the Supreme Commander to take part in a voting capacity on certain occasions, and that we should not tie the hands of such a conference. Normally I would assume that any such representative would be there as an observer rather than as a voting participant. But, should an inter-governmental conference decide that some advantage would be gained in permitting a SCAP representative to vote, we would not seriously object. Therefore, I could, Mr. Chairman, accept FEC-300/6.

MR. POWLES: Mr. Chairman, my Government had awaited with interest the substitute to FEC-300/3 which it was believed was forthcoming, and I must say that we received it with a feeling of considerable disappointment because it did seem to represent a movement by the United States Government away from the position which the United States Government had been willing to take on this particular issue some five or six weeks ago, and a movement also in a direction which was away from that of the feelings of my particular Government. Consequently, the views of the New Zealand Government on the earlier proposal are well known. I won't state them. But I will say that we had been prepared to consider even, if necessary, a further compromise which would have involved a departure from the provisions of FEC-300/3 as they are now. But, in view of the fact that the United States proposal is so far away from what we consider to be appropriate in the circumstances, particularly in its reference to the use of the word "representative" in place of the phrase "non-

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voting observers", my Government cannot support FEC-300/6 and stands on FEC-300/3 as it now is.

As far as the question of procedure is concerned, Mr. Chairman, I would suggest that, unless any members have any contrary views, as the United States paper is described as a substitute and is later in date, it would, I feel, be proper to vote on the New Zealand proposal first. That is the paper FEC-300/3. I am not sure whether you would consider that proper, and I don't have any strong views on it, but we will have to make a decision as to which paper we are going to vote on first and I feel that logically speaking the earlier paper should be voted on first.

GEN. MCCOY: Any further comment, gentlemen?

ADM. RAMISHVILI: (through interpreter) "Mr. Chairman, the Soviet delegation is opposed to the United States proposal FEC-300/6. The Soviet delegation does not insist on a more detailed definition of the term 'technical' than is indicated in FEC-300/3 and is prepared to withdraw its reservation on FEC-300/3. However, the Soviet delegation considers it necessary to state that it understands the term 'technical' to mean such purely technical conferences which would not deal with any political questions."

GEN. MCCOY: Gentlemen, in view of your expressions and opinions which seem to me important for the United States Government to consider, I would like to present the opinions of my colleagues to my Government and not vote on the paper this morning. If it is agreeable, I will bring to the attention of my Government your opinions. Otherwise, I am under instructions of my Government which would involve my having to non-concur with the paper submitted that has come to us in FEC-300/3. So, unless I am pressed to a vote this morning, I will keep this on the agenda while I consult with my Government and present the opinions of this Commission.

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ITEM 3 - TREATMENT OF JAPANESE ASSETS IN NEUTRAL COUNTRIES (FEC-295/1)

GEN. MCCOY: FEC-295/1 is a formal statement submitted by the Soviet representative on 22 April. The statement was discussed and further consideration was postponed. Action on a motion made by the United Kingdom representative, to the effect that "in the opinion of the Commission the subject treated in FEC-295 is properly before Committee No. 1", was also postponed.

MR. GRAVES: Mr. Chairman, you will recall that I submitted that motion as a procedural motion. That, of course, was a personal opinion, so I would invite the chair's opinion to the nature of the motion.

GEN. MCCOY: That is, a ruling on the nature of the motion?

MR. GRAVES: I would be very glad to have any other comment on that point from any member of the Commission.

GEN. MCCOY: My natural inclination in this case would be to rule that it is a procedural question, in view of the fact there is no action or substantive problem involved so far. It is a matter that's before one of the committees as a matter of discussion and naturally the precedents built up in this Commission and my natural rulings have been very liberal in a sense of permitting discussion on any question when it arises. When it comes to action, why that is a different thing. But it seems to me that this is purely a question of discussion so far and is proceeding on that procedural line in the committee and subcommittee, and we have no question before us other than that the question was decided in the committee that it was a procedural question and could be discussed and is being discussed. So that my ruling on the subject of discussion of this subject, as well as any other, that is, up to a certain point--until that point becomes action and substantive--is that it is procedural. However, I would be very glad in these matters of

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opinion in procedural questions to invite your opinions like or unlike so the Chairman can be guided properly and reasonably.

ADM. RAMISHVILI: Mr. Chairman, the Soviet delegation considers this question as a question of substance and not as one of procedure. Our opinion is based on the provision contained in paragraph II-A-3 of the Terms of Reference. Since this question does not come within the jurisdiction of the Far Eastern Commission and should be classified as one belonging to the category of other questions, its introduction into the Commission's agenda should be decided upon in accordance with the provision as contained in paragraph V-2 of the Terms of Reference.

MR. GRAVES: Mr. Chairman, if there is no consensus of opinion on this question that it is one of procedure and we would likely be involved in lengthy discussions if it were pursued along those lines, the intention of my motion would be obscured, and so I should withdraw the motion. I wish to ~~s~~ withdraw the motion.

GEN. MCCOY: The motion of the United Kingdom is withdrawn. Will you give me your references again, please, to the Terms of Ref-.erence?

ADM. RAMISHVILI: It is Section II, paragraph 3, which reads:

> "To consider such other matters as may be assigned to it by agreement among the participating Governments reached in accordance with the voting procedure provided for in Article V-2 hereunder."

GEN. MCCOY: Thank you very much. There is no question before the Commission at present. Have you anything further on this subject?

ADM. RAMISHVILI: No, Mr. Chairman. I just want, for final clarification, to make a small statement again, if you will allow me.

(Interpreter): "Mr. Chairman, from our statement made on this question at the previous meeting and in regard to document FEC-295/1, it is clearly seen that the Soviet delegation considers consideration of this question of external assets beyond the jurisdiction of the

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Far Eastern Commission and doesn't consider it possible to discuss this question at the Far Eastern Commission. Therefore, the Soviet delegation does not feel itself responsible for the discussion of this question in Committee No. 1."

GEN. MCCOY: Well, there being nothing further on this subject for the Commission, if there is no objection, we will proceed and the item will be removed from the agenda, note being taken of the position of the Soviet Government.

ITEM 4 - CIVIL AVIATION IN JAPAN (FEC-245/18; -/19)

GEN. MCCOY: Here is a proposed policy decision which I very much hoped we could have before us from the point of view of the United States today, but I am not yet able to give the position of my Government. The other Governments, Australian, French, Philippine, and United Kingdom positions, were reserved. Are any of them ready to state their positions this morning?

MR. GRAVES: Mr. Chairman, I am now able to remove my reservation. We are in support of the paper.

MR. MAKIN: Mr. Chairman, I wish to notify you that Australia removes its reservation.

MR. JOVELLANOS: Mr. Chairman, I should like to remove my reservation.

MR. MACCIAR: Mr. Chairman, the French delegation removes also its reservation on the paper FEC-245/18.

GEN. MCCOY: The reservations of all of the other countries are removed and they are ready to act. Is there any further comment on this paper? In view of the removal of the reservations leaving the United States still to state its position, I would ask to retain this on the agenda until I can do so, representing the United States.

ADM. RAMISHVILI: Mr. Chairman, you said that all reservations had been removed. As we understand it, the Soviet reservation still stands.

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GEN. MCCOY: I didn't understand you.

AEM. RAMISHVILI: We have a reservation on this paper and didn't remove it. We want that included.

In this connection, Mr. Chairman, before you pass to other matters, I would like to remind the Commission that at the Steering Committee meeting the day before yesterday, I raised a question concerning the building of airfields, new and powerful airfields, in Japan which has a direct bearing on this subject which we are discussing here concerning aviation. As I stated at the Steering Committee meeting, Mr. Chairman, although this construction has been undertaken by the occupation forces, the substance of this question is well outside of the occupation military policy and directly affects the policy of the Far Eastern Commission and security in the Far East. And, Mr. Chairman, since we have nothing but the press information, I asked the United States representatives to inform the Commission whether this information is true or not. I would like to mention it here today because we are confident that such information could be supplied concerning whether this information is true or not. One can see, of course, the justification of our objection to this document, particularly the items which concern the enlargement and construction of new aerodromes, because if the information received from the press is true, of course it once more proves that our apprehension and our cautiousness in this matter has been justified. So I wanted just to mention this matter since it was not, I believe, discussed at the Steering Committee meeting and even no comments were made by any of the members. We understand the information concerning this press article will be supplied to the Commission.

GEN. MCCOY: Yes, this was reported to me as having been brought up at the Steering Committee, and that query of yours has been referred to my Government. I have not yet received any instructions on the subject, or information.

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ITEM 5 - REPORT BY COMMITTEE NO. 6 ON FEC-301, USSR PROPOSAL ON TAXATION OF ALIENS BY THE JAPANESE (FEC-301/5)

GEN. MCCOY: FEC-301/5 is a report by Committee No. 6: Aliens in Japan, and was approved by the Steering Committee on the 27th of April by a vote of 10 to 1, the Soviet member being opposed. The Soviet member recommends instead the adoption of the statement shown in paragraph 3 of the cover page. Do you wish me to have that read?

ADM. RAMISHVILI: Well, Mr. Chairman, it's on the cover page.

GEN. MCCOY: Yes. I believe that was covered also in the Steering Committee, and would the Chairman of the Steering Committee give me his report on the question?

MR. REUCHLIN: Mr. Chairman, you have just now very clearly stated the position of the Steering Committee on this matter. The report of Committee No. 6 was adopted; the Soviet member was opposed to the report. The substance matter of the report is expressed in paragraph 3, that is, the ten Powers voting for this report agreed that first of all the action of the Soviet delegation in raising for review the implementation of the Commission's policy decision, FEC-055/4, was entirely proper. Then, secondly, that the memorandum from the Supreme Commander of 29th of November was not in contradiction with the Commission's policy decision, and thirdly, that no further action of the Far Eastern Commission is necessary in connection with the Soviet proposal. That is all, Mr. Chairman.

I would like to move, if I may, the adoption of this report.

GEN. MCCOY: The adoption of the report is before the Commission. Are there any comments?

ADM. RAMISHVILI: Mr. Chairman, the Soviet delegation cannot support this resolution and if it is put to a vote we will vote against that resolution as we did in the committee and the Steering Committee.

GEN. MCCOY: I would declare a recess of a few moments to con-

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sult my legal adviser.

(The meeting recessed at 11:37 A.M.)

(The meeting reconvened at 11:42 A.M.)

GEN. MCCOY: Gentlemen, we will come into session again. Item 5 is before us in the form of a motion for the adoption of the report of Committee No. 6. Are you ready for a vote, gentlemen? We will call for the ayes and nays. The United Kingdom:

MR. GRAVES: We are voting on FEC-301/5, aren't we?

GEN. MCCOY: On the motion for the adoption of the report by the Netherlands representative in this case, having explained and moved the adoption as Chairman of the Steering Committee.

MR. GRAVES: I vote for the adoption of the report.

ADM. RAMISHVILI: Opposed, Mr. Chairman.

MR. JOVELLANOS: For the adoption.

MR. POMLES: For.

MR. REUCHLIN: For.

MR. BANERJI: For.

MR. NAGGIAR: For.

DR. KOO: For.

MR. COLLINS: For.

MR. MAKIN: For.

GEN. MCCOY: For.

MR. JOHNSON: The vote is 10 to 1 in favor of the motion. The motion is lost by a veto.

GEN. MCCOY: I don't like that term "veto". Why don't you say non-currence? (Laughter)

MR. NAGGIAR: It has to be settled, Mr. Chairman, among the veto family members. (Laughter)

GEN. MCCOY: There seems to be nothing before the house as a result of the vote--no action.

ADM. RAMISHVILI: Mr. Chairman, I want to make a short statement.

(Interpreter): "Mr. Chairman, the Soviet delegation cannot

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agree with the decision of the Steering Committee on 20th of April 1948 that the Supreme Commander's memorandum to the Japanese Government of the 29th November 1947, SCAPIN-4938-A, is not in contradiction with the Far Eastern Commission's policy decision, FEC-055/4, Japanese Taxation of Aliens, since, in accordance with this decision, the Supreme Commander should have referred this question first for the consideration of the Far Eastern Commission."

ADM. RADFORD: This is exactly the statement we made at the Steering Committee meeting.

GEN. MCCOY: The statement will be made a matter of record.

ITEM 6 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, -/1, -/2)

GEN. MCCOY: This is a proposal regarding planned credits. FEC-298/1 is a United States statement submitted on the 4th of March in reply to the query of the Soviet representative, FEC-298. FEC-298/2 contains a further Soviet statement submitted on the 8th of April. It contains reference to a news report, the text of which is contained in FEC-298/4--not /3, which was circulated by mistake.

The United States Government has submitted its reply to the query of the Soviet Ambassador, and I will not read it but will circulate it for the information of the Commission. It is FEC-298/5.

(The U. S. reply was circulated to representatives.)

GEN. MCCOY: I have been unable to circulate this before for I only received it this morning prior to the meeting.

ADM. RADFORD: We understand, Mr. Chairman, that the subject will be kept on the agenda until the next meeting to allow us to study your statement?

GEN. MCCOY: In view of the fact that the memorandum has just been circulated and will be before you for due consideration, and at the request of the Soviet representative, the Item 6 will be retained on the agenda.

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ITEM 7 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-27a)

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

GEN. MCCOY: Item 7 will be retained on the agenda.

ITEM 8 - OTHER BUSINESS

GEN. MCCOY: Is there any other business, gentlemen, that you care to bring before the Commission?

a. Statement by Australian Representative on Jurisdiction of the Far Eastern Commission

MR. MAKIN: "Mr. Chairman, recent discussions in this Commission have been devoted to certain individual questions which are a direct challenge to the authority of the Far Eastern Commission. After an examination of these issues the Australian Government has become concerned that a trend is developing which seems to suggest that there is a tendency on the part of the United States and the occupation authorities to resolve questions unilaterally which clearly belong to the jurisdiction of the Far Eastern Commission. The time has come for us to take stock of the situation and to face these issues. I feel sure that the concern the Australian Government must also be shared by other members of the Far Eastern Commission.

"During the discussion last week on the question of the Japanese Coastal Patrol, you, Mr. Chairman, used the phrase 'needling the Supreme Commander'. I should like to state at the outset that there is no intention on my part of 'needling the Supreme Commander'. The Australian people have a deep affection and a profound admiration for General MacArthur. I approach this problem purely from the point of view of maintaining the authority of this international Commission.

"I do not wish this morning to re-open the question of the Japanese Coastal Patrol to which our meeting was devoted last week, but I feel that that meeting did indicate the growing concern of the members of this Commission and their desire to discharge their obligations.

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"In this Commission at one level or another we have three papers relating to the travel abroad of Japanese. The fact that the United States has asked the Far Eastern Commission to decide whether Japanese should be allowed to travel abroad to attend governmental conferences, for cultural purposes, or on business missions amounts to recognition of responsibility of the Far Eastern Commission for policy on such matters. Nevertheless I had occasion to draw to the attention of this Commission a few weeks ago a press release issued from the headquarters of the Supreme Commander in Japan in which he publicly advocated unilateral action by the United States if other allied governments are not agreeable to relax restrictions on Japanese trade and commerce and to allow Japanese citizens to travel freely abroad. Nowhere in this press release does the Supreme Commander mention the Far Eastern Commission or acknowledge in any way the responsibility which it has for the making of policies for Japan. There are also current reports from Japan that arrangements are already being made for a number of Japanese to visit other countries. The position of the Australian Government on the question of travel abroad of Japanese at this time is well known. We agree to Japanese officials accompanying SCAP officials to international conferences as technical advisers but in no other capacity. We should be prepared to agree to other visits by Japanese subject to the concurrence not only of the country concerned but also of the Far Eastern Commission. The Australian Government nevertheless is prepared to consider these questions carefully and objectively in the Far Eastern Commission and would like to see a decision reached in the Far Eastern Commission without unnecessary delay. The travel abroad of Japanese before such decisions are reached in the Far Eastern Commission would represent a direct challenge to the authority of the Far Eastern Commission.

"There is another question to which I should like to refer relating to the importation of bauxite in Japan. It has recently been reported that the Supreme Commander has given permission for the

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Japanese to import 100 thousand tons of bauxite for the revival of the Japanese aluminum industry. Under the existing interim reparations removals programme there is a decision of the Far Eastern Commission to the effect that all capacity in the aluminum industry should be removed as reparations. The spirit of that decision clearly is that the Japanese shall not be permitted to have an aluminum industry. That decision is binding until it has been changed by another policy decision of the Far Eastern Commission. It is true that a paper, SC-242/19, which is at present under discussion in the Steering Committee does contemplate a change in the existing policy decision. Under certain conditions the Australian Government itself might be prepared to support the re-establishment of the Japanese aluminum industry at the appropriate time, but in view of the existing decision the spirit of which is quite clear, we cannot concede that the Supreme Commander is justified in taking unilateral action which would in fact prejudge a decision which is still under consideration in the Far Eastern Commission.

"The Australian Government and all other governments represented around this table have a vital interest in securing the safety of their countries against repetition of what took place in the recent war of aggression waged by Japan. The Australian Government does not ask that the Japanese people should be enslaved and not given a reasonable standard of living, but it must insist that decisions such as the revival of the Japanese aluminum industry cannot be made until all countries represented on the Far Eastern Commission have studied the question carefully and objectively and reached a policy decision.

"There is another question which is of vital interest. This relates to Japanese fishing. It is well known that the Australian view on whaling has not been met in the past. The position of the Australian Government on the question of fishing is that the Japanese should be allowed to fish outside their own waters only with the concurrence of the countries particularly concerned and of the Far

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Eastern Commission. While there may be a case for fishing outside Japanese waters for food and oil, their is no case for pearl fishing. I do not intend at this stage to discuss at any detail a proposal which is at present under discussion in Committee No. 2. Our views will be made known in detail during discussions of that proposal in Committee No. 2. There are, however, reports of Japanese vessels being in proximity to our Australian mandated territory. One Japanese fishing vessel has already been discovered south of the area at present authorized by the Supreme Commander and within Australian territorial waters. We are also concerned about reports that the Japanese may be permitted to fish in the vicinity of the former Japanese mandates. These mandated islands are being administered in trust for the security of Australia and all other members of the United Nations. We do not consider that the Japanese should have access to these areas."

That is my statement, Mr. Chairman.

GEN. MCCOY: I will communicate this statement to my Government.

MR. GRAVES: Mr. Chairman, the Australian Ambassador referred to the question of Japanese travelling abroad. May I say a word or two with specific reference to Japanese commercial representatives.

The United States delegation has made proposals which they have properly laid before the Commission on this matter and these proposals are under active consideration. There is every reason to suppose that these discussions will lead to a policy decision which will take account of the interests of all the eleven countries concerned and correspond to the practical problems of the occupation which we all recognize are great and pressing. However, we see no reason at this moment for speeding up the dispatch of Japanese commercial representatives abroad and we should much prefer to wait until a policy has been determined. There seem to us to be no reasons why Japanese businessmen should have facilities in advance of those which are in the process of being afforded to Allied businessmen

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returning to Japan to restore their commercial positions.

b. United Kingdom Comments on Draft Policy on Level of Industry

MR. GRAVES: And I would like, if I may, also to refer to the draft policy on the Level of Industry which is now before the Steering Committee known as paper C2-242/19. We did in the Steering Committee impose on ourselves recently a time limit, which was the 20th of April, for the submission of amendments, and we hoped that all delegations would have had their instructions on the paper by that time. There are, however, still two or three delegations which have not received their instructions. The draft policy arose originally from a United States proposal from which the draft at present is not markedly different, and we have been slightly disheartened by the lack of progress or, I might say, a wee bit disappointed that we have not been able to finish off what is admittedly probably our major problem in the Commission. If I may address you, Mr. Chairman, in your capacity of United States representative for a moment, if you could throw out a little hope that the United States delegation will be able to join forces at an early date in getting this policy nearer completion, it would I know be a great stimulus to the Commission's work in general. I haven't mentioned the other two delegations which have not put in amendments yet, but my remarks form the same sort of plea to them.

GEN. MCCOY: Gentlemen, if there is no further business, we will stand adjourned.

(The meeting adjourned at 12:00 Noon.)

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FAR EASTERN COMMISSION

Transcript of One Hundred Sixth Meeting of the Far Eastern Commission,

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

Thursday, May 13, 1948

NOTE: The attention of all concerned is invited to the classification of this transcript which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

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CONFIDENTIAL

FAR EASTERN COMMISSION

Transcript of One Hundred Sixth Meeting of the Far Eastern Commission,
Held in Main Conference Room, 2516 Massachusetts Avenue, N. W.
Thursday, May 13, 1948

Representatives Present

Major General Frank R. McCoy, Chairman	(United States)
His Excellency Mr. N. J. O. Makin	(Australia)
Mr. R. E. Collins	(Canada)
His Excellency Dr. V. K. Wellington Koo	(China)
His Excellency Mr. P. E. Naggiar	(France)
Mr. S. N. Banerji	(India)
Dr. R. H. van Gulik	(Netherlands)
Mr. G. R. Powles	(New Zealand)
Mr. J. U. Jovellanos	(Philippines)
Rear Admiral S. S. Ramishvili	(U.S.S.R.)
His Excellency Lord Inverchapel Mr. H. A. Graves	(United Kingdom)

Secretary General

Mr. Nelson T. Johnson

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

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(The one hundred sixth meeting of the Far Eastern Commission, 2516 Massachusetts Avenue, N.W., Washington, convened at 10:35 A.M., 13 May 1948, Major General Frank R. McCoy, Chairman.)

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

Before proceeding to our routine affairs, I have to join you in a farewell to our British colleague who leaves us again. I indulge myself with all old-timers in cherished remembrance of his service here as a very much younger man in the days of Mr. Bryce--and I'm glad that he still has the habit of returning--so that, from that point of view and from a personal point of view, I hope that he will come back to America when he's free and independent.

Lord Inverchapel, I think, is obliged to tend to a good many affairs in leaving and I give the word to him.

LORD INVERCHAPEL: Mr. Chairman, I confess that you make me blush a little because I am keenly conscious of the fact that I have neglected this Commission. But, believe me, it has not been in any sense deliberate; it is just the fact that in the British Embassy we need three ambassadors. One ambassador is no damn good at all. There is too much to do, and it is unreasonable and almost preposterous to concentrate in the body of one man, particularly a frail body of my type, the amount of work he has to do. He first has to be what I call an exhibitionist, that is to say, public relations--exhibitionism; then he has to deal with quite complicated politics, and finally he has to deal with still more complicated economics, which, I confess, I don't understand the beginnings of. Now the time has come to give it all up, and all I can say is that I hope you will deal with my successor, who is a very remarkable man, with the same kindliness and indulgence that you have treated me with.

It is terrible to think that this is only my second appearance in this distinguished Commission. The last time I was here I seem to remember we were talking about reparations. Now

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reparations is a subject which I gather we can't record any progress on. That is so, isn't it?

GEN. MCCOY: Apparent progress.

LORD INVERCHAPEL: Apparent progress. But through the Admirable Mr. Graves I have been able to keep an eye on events and I remain optimistic--I confess I remain tenaciously optimistic and I know that my Government will always give the most serious study to any proposals which are likely to remove the outstanding problems.

One of the most important things upon which this Commission has to reach agreement is the question of Levels of Industry. Can you record any progress in that--"comparative", is that the word?

GEN. MCCOY: Well I can record progress in the Commission, yes, but not any final agreement. There has been a good deal of progress here in the Commission on that, and, of course, it is a very complicated and difficult thing for us to agree on. But I do think that we've shown here in the Commission a more or less sweet reasonableness on that gradual approach to agreement, and if we can only get our governments to back up the earnest and effective work of the men here who have been on the working committees there is great hope for agreement on that paper.

LORD INVERCHAPEL: When a man consults a government, as all of us do here, it is always the government that seems to put obstinacy in the way of settlement. The men around the table are, as you say, sweetly reasonable; it is always the government. The Government is too far away. You have the advantage of having yours at your elbow; all the rest of our governments are too far away. They don't always understand what we are after.

GEN. MCCOY: I am not pointing the finger at any of you because I do the pointing of the finger at my own Government.

LORD INVERCHAPEL: Keep it pointed.

One thing we are anxious to see is that Japan can reach some kind of solvency. I can't say whether we have contributed to

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the preventing of that, but if we have appeared, I gather, from time to time slightly importunate over some of the proposals we have made all we have had in mind, of course, is the easing of the burdens of the occupation and generally Japan's economic position so it should not fall into a condition of complete chaos.

One thing I have regarded with pleasure is that there is a high degree of harmony in this body here and that is unusual in international bodies, with which I have had perhaps too rich an experience. And I know I shant be accused of flattery if I claim that it is in a large measure due to the courtesy and consideration and charm which you have spread over your colleagues and over the whole Commission. We have---I speak now for my own Embassy---received nothing but the highest courtesy and consideration from yourself, and I should like to put on record my very warm thanks for the way you have presided over this important body.

We must go on striving for peace, progress and prosperity in the Far East and I can only wish you all possible success, and such success that will enable you to dismiss this Commission and get down to what all good men end by doing, that is to say, farming or gardening, and that is what I am going to do. I don't suggest that I am a good man but that is what I intend to do.

I hope you will forgive me if I hurry away now to complete my preparations for this new career which I am setting out on. I have had forty years of the old career and I think that is enough---and enough generally is too much.

(Lord Inverchapel departed the meeting and Mr. H. A. Graves assumed the chair as United Kingdom representative.)

GEN. MCCOY: Gentlemen, the session remains open for your consideration of the minutes of the previous meeting.

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ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE ONE HUNDRED FIFTH MEETING

MR. COLLINS: Mr. Chairman, I have a few corrections to make to the statement at the bottom of page 2, starting with the fourth line from the bottom: "However, the representatives would be members of the Supreme Commander's staff and therefore" here I would like to make the alteration "would attend on behalf of the Allied occupation and not of the Japanese Government as such. Consequently, the problem of Japan's status before the peace conference does not really arise. Normally their functions would be of a semi-technical nature". And then in the next sentence which starts "Furthermore" put "However, some discretion could appropriately be left" instead of "should".

GEN. MCCOY: Are there any other corrections, gentlemen?

MR. GRAVES: Mr. Chairman, one small typographical correction on page 7, my first statement, the last line but one, alter the word "afforded" to "accorded".

Then on page 3 I think there is one slight misspelling which has crept in. "General McCoy invited", I think, "the comments of other representatives..."

GEN. MCCOY: These corrections will be made and the Secretariat will bring them to the attention of the respective representatives for checking for final recording. Otherwise, if there is no objection, the minutes stand on the record.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/6; 300 series)

GEN. MCCOY: In Item 2, Attendance at Inter-Governmental Conferences, 300 series, you have before you FEC-300/3 of New Zealand and the former paper of the United States, FEC-300/6, which is now withdrawn and a substitute for it proposed from my Government which is now being circulated to you. You will note that my Government has considered very carefully the expressions around the table at the last meeting and I hope their effort to meet your opinions will

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be successful in our reaching agreement in this trying subject. The new paper as circulated is headed "Attendance at Inter-Governmental Conferences: United States Revision of FEC-300/6". It is now before you as circulated in FEC-300/7. It is for your consideration and I hope that it meets a good many of your expressed objections to the former paper. At any rate it is an effort to do that.

Is there any wish to discuss this paper or attendant papers for the moment, or, in view of this new position of the United States, possibly we could have it before you for the next meeting? I would ask the Australian Ambassador to consider that, in view of his request last week for an expressed vote. We don't like to spring it so suddenly, but I was unable to get it before you prior to this morning.

Is there anything new that has occurred to any of you or any wish to discuss these papers at this session? If not, we will defer--

MR. MAKIN: Mr. Chairman, I was just finishing the last few notes in regard to a statement that I shall wish to make, and I will be glad if I can just have a moment to confer with my assistant about it.

"Mr. Chairman, the fact that we now have a large body of support for FEC-300/3 illustrates the extent to which countries have been prepared to find some reasonable compromise on the question of Attendance at Inter-Governmental Conferences. It is disappointing when certain countries have been willing to abandon their long-standing objections in order to reach a point where general agreement seemed likely to be reached, that the United States should then have retreated from a position which in the past they have always seemed prepared to accept.

"My Government is anxious to see a decision reached on

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FEC-300/3 as soon as possible but is unable to support any proposal which would state or even imply that SCAP's representative should attend at inter-governmental conferences in any other capacity than that of a non-voting observer. Should any exceptional circumstances arise in the future in which it were vitally necessary that SCAP's representatives should attend on inter-governmental conferences in the capacity of [redacted] voting representatives, it is the considered view of my Government that this question should be referred to the Far Eastern Commission where the question should be considered upon its merits."

We would not consider that the views of the paper which has been circulated this morning would be an acceptable compromise, and therefore, sir, in respect to a vote being taken at this meeting, I would be largely governed in my feelings in that respect by what might be the feelings of other members of the Commission, who may wish to offer some observations upon this particular subject.

MR. COLLINS: Mr. Chairman, my Government welcomes this effort on the part of the United States Government to find some basis for an agreement and we consider the present proposal an improvement on FEC-300/6. I think it would be advisable to hold this over for another week at least to give all members an opportunity to give it full consideration.

MR. POWLES: Mr. Chairman, I should be grateful if the matter could be postponed for another week. I am very anxious, in view of the importance which my Government attaches to it, to have full instructions. I haven't yet received them.

GEN. MCCOY: If that is agreeable to the others concerned, we will proceed to the next item on the agenda.

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ITEM 3 - CIVIL AVIATION IN JAPAN (FEC-245/18, -/19)

GEN. MCCOY: FEC-245/18 is a proposed policy decision approved by the Steering Committee on the 23rd of March. The Soviet member opposed the paper. FEC-245/19 contains certain amendments proposed by the Soviet representative that have already been presented in the Steering Committee. We took no action at that time on the request of one of the members that all the amendments be considered together, and that means that, I believe, the only other amendments in sight are from my own Government and I am not prepared to present them this morning.

ITEM 4 - SOVIET PROPOSAL CONCERNING PLANNED CREDITS FOR THE RECONSTRUCTION OF JAPANESE INDUSTRY (FEC-298, -/1, -/2, -/5; 298 series)

GEN. MCCOY: That embodies in the whole series certain queries of the Soviet and reply from the United States which was not entirely satisfactory to the Soviet representative and a further statement was submitted on the 6th of May under FEC-298/2.

Is there any further comment on that?

ADM. RAMISHVILI: Mr. Chairman, the delegation of the Soviet Union has no objection to taking off this question from the agenda, but it reserves its right to return to this question at an appropriate time.

GEN. MCCOY: It will remain on the agenda at the request of the Soviet representative. Oh, I understood you--

ADM. RAMISHVILI: No objection of taking off agenda.

GEN. MCCOY: I see, and bring it up at any time that you wish--yes. It will be removed from the agenda then, but with the reservation that it may be brought up at another time.

ITEM 5 a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

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

GEN. MCCOY: There seems to be no information or furtherance of

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this item on the part of the United States.

ITEM 6 - OTHER BUSINESS

GEN. MCCOY: Is there any other business before the Commission this morning? There seems to be none.

Gentlemen, we stand adjourned.

(The meeting adjourned at 11:00 A.M.)

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FAR EASTERN COMMISSION

Transcript of One Hundred Seventh Meeting of the Far Eastern Commission,

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

Thursday, May 20, 1948

NOTE: The attention of all concerned is invited to the classification of this transcript which prohibits the dissemination of the information contained therein to unauthorized persons or to the press.

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CONFIDENTIAL

FAR EASTERN COMMISSION

Transcript of One Hundred Seventh Meeting of the Far Eastern Commission,
Held in Main Conference Room, 2516 Massachusetts Avenue, N. W.
Thursday, May 20, 1948

Representatives Present

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

Secretary General

Mr. Nelson T. Johnson

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

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(The one hundred seventh meeting of the Far Eastern Commission, 2516 Massachusetts Avenue, N.W., Washington, convened at 10:40 A.M., 20 May 1948, Major General Frank R. McCoy, Chairman.)

GEN. MCCOY: Good morning, gentlemen, our session will open with your attention called to the minutes of the previous meeting for any comment or correction.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE 106th MEETING

GEN. MCCOY: There have been no corrections submitted to the Secretariat. Are there any around the table? There seems to be none, so that, if it meets with your approval, the minutes will be recorded as usual.

ITEM 2 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/7; 300 series)

GEN. MCCOY: Item 2 on the agenda is the Attendance at Inter-Governmental Conferences of the 300 series, and the papers before you are those of New Zealand under /3 and the substitute effort on the part of the United States to meet some of the points and expressions of opinion by other members. FEC-300/7 is the revised United States proposal offered after consideration of the former discussions and opinions of the members of this Commission.

MR. GRAVES: Mr. Chairman, I now have instructions on this latest proposal.

At an earlier meeting and in connection with a preceding paper in this series, that is, FEC-300/6, I said that we should not wish delegates representing the interests of the Japanese Government--whether Japanese or not--to exercise full rights of membership in inter-governmental organizations in advance of the signing of the peace treaty or some instrument having similar effect, and also that we could not agree that the Supreme Commander's representatives at inter-governmental conferences should have any higher status than that of non-voting observers. The paper we have before us in

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FEC-300/7 does not make it clear that representatives would attend merely as non-voting observers. In fact, we are invited to confer on the Supreme Commander the right to send, on invitation, representatives with full powers and that would be equivalent to endowing the Supreme Commander with the status of government and he is not of course of that standing. He's the representative of the Allied Powers and it would be illogical, in our opinion, to invest him with the same authority as is enjoyed by those governments which convene or attend inter-governmental conferences.

For these reasons, Mr. Chairman, we should not wish to accept FEC-300/7 and roughly our affections still lie with an earlier paper in the series which was, I think, SC-236/5, one of the earlier papers which we dealt with, and our opinion still lies in that direction.

GEN. MCCOY: Was that paper before the Commission or a working committee?

MR. GRAVES: No, that paper was before us in the Steering Committee, Mr. Chairman. I just mention that as indicating the extent of our wishes in this matter.

MR. NAGGIAR: Mr. Chairman, the position of the French delegation on that problem of attendance of occupied Japan at inter-governmental conferences has already been stated at the previous meeting of this Commission and I may say that I don't want to detain longer the attention of the Commission on the French point of view which has been very clearly stated. However, I may just sum up our position.

As you know, we consider that the question ought to be examined first from the point of view of the procedure of invitation and in all the papers before us there is no provision as regards the procedure of invitation. However, in the New Zealand paper, that is, FEC-300/3, there are the words "appropriate invitation". So, in spite of the fact that there was no provision on the way of the

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procedural invitation, we were prepared to vote for the New Zealand paper because the word "appropriate" affirms in a vague way, but in a way, the necessity of an appropriate procedure. The American paper doesn't contain any provision as regards the procedural invitation.

The second point is the capacity in which the member of SCAP will have to attend those conferences, and our point of view is, as you know, that they cannot attend in the capacity of voting members. In all conferences each one of the delegates of the Allied Powers, when he votes, votes under instructions of his own government. I don't suppose SCAP will vote under instructions from the Japanese Government. Then he will have to vote under some kind of instructions. I am speaking of the delegate of SCAP. Who is going to give him instructions? Will it be the Supreme Commander of the Allied Powers? If it is the Supreme Commander of the Allied Powers he can give only in such case instructions when he receives himself instructions either from the Commission sitting here or from the American Government acting under the Terms of Reference. If he is acting under instructions from the American Government, then the American Government will have two votes in those inter-governmental conferences. It will have the vote of its own delegate and secondly the vote of the delegate of SCAP, which is rather impossible to accept. Such being the case the French delegation's point of view is that the delegate of SCAP will have to act only as an observer as long as there is no treaty of peace with Japan, and when there will be a treaty of peace with Japan, of course Japan may be invited to any kind of conference and it will have the right to vote. They will have a delegate that votes.

The third point is the characteristic of those inter-governmental conferences. The French delegation's point of view is that SCAP may receive power to attend only technical inter-governmental

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conferences and we would like that provision made very clear in any paper that the French delegation could be able to vote for.

Such being the case, Mr. Chairman, as I have no other instructions from my Government, I am not able to accept the paper FEC-300/7 which the American delegation has been good enough to circulate among the members of the Far Eastern Commission.

MR. POWLES: Well, Mr. Chairman, at the last meeting you will recall that I said that I hadn't had instructions from my Government on the latest developments in connection with this paper. I received those instructions this morning. The New Zealand Government is very desirous that the Far Eastern Commission should pass a policy on this extremely important point.

On the question of the principles at issue our views are very similar to the views which have been expressed this morning by the representatives of the United Kingdom and of France, but it is thought that the differences which appear between the paper FEC-300/3 and the paper FEC-300/7 might possibly be capable of modifications in such a way as to secure acceptance.

The principal differences between those two papers are, first of all, that the FEC-300/3 paper refers to technical intergovernmental conferences and gives SCAP authority to attend such conferences as he deems desirable in the interests of the objectives of the occupation, the inference being that as far as political conferences are concerned reference to the Far Eastern Commission would be desirable. Now, Mr. Chairman, the American paper, FEC-300/7, ignores that difference entirely and purports to give to SCAP complete authority to accept invitations to any conferences at all. Now my Government feels that it might be possible to adopt a halfway position on this particular issue and to preserve the jurisdiction of the Far Eastern Commission in this particular manner, that is to say, to accept on this point the provisions of the

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American paper but to receive from the United States Government an understanding that whenever SCAP had received an invitation to attend an inter-governmental conference the fact of the receipt of such invitation would be reported to the Far Eastern Commission. Now that is the first point.

Now the next difference between the two papers concerns the capacity of the SCAP representatives, that is to say, whether they are to be permitted in certain events to have full voting rights or whether they are to be only non-voting observers. Here again my Government feels that it might be possible to arrive at a satisfactory middle course. The numbers of cases in which SCAP representatives might be expected or required to exercise voting rights must be very small indeed--in fact, one can't at the moment conceive of the situation arising where it would be desirable or necessary for them to do so, except perhaps in some minor and comparatively unimportant technical conference. My Government feels that it might be a wise solution to the problem to leave the question of the capacity of the SCAP representatives to be determined by the conference concerned. In the American paper it is prescribed that the capacity in which SCAP's staff attend the conferences shall be in accordance with the terms of the invitation. We feel that that must be an inaccurate view in several respects because, in the first place, it can't be suggested that an invitation can bind a conference, and any inter-governmental conference is of course the master of its own procedure and is also, in accordance with that procedure, required to pass upon the credentials of all delegates. Consequently, we feel that the situation could reasonably and fairly be met in a spirit of compromise by providing that SCAP's staff should attend such conferences in the capacity in which members--SCAP's staff should attend such conferences in accordance with the decision of the conference concerned.

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Now the next point on which there is a difference between the two papers is the extremely important question of the representation of the Japanese Government as such. The paper FEC-300/3, the paper which is not quite correctly but nevertheless colloquially referred to as the New Zealand paper, prescribed quite clearly that, subject to any decision by the Far Eastern Commission, no representative of the SCAP or of the Japanese Government should be permitted to attend inter-governmental conferences in any capacity except as provided in that policy decision. That consideration is also absent from the American paper, and the question of whether or not the Japanese Government should either be invited to attend or to attend inter-governmental conferences is, as it were, begged by the American paper. Now, Mr. Chairman, we feel that the Supreme Commander should not have discretion to allow representatives of the Japanese Government to attend a conference, that the right of the Japanese Government to receive an invitation to a conference cannot be recognized, and that the present policy should therefore in some way be drafted as an effective embargo on this situation. Consequently, we feel that an additional paragraph should be inserted to the American paper something to this effect that:

> "The Japanese Government should not be represented at any inter-governmental conference without the prior approval of the Far Eastern Commission."

Now, Mr. Chairman, I still feel, with the representative of the United Kingdom, that that old paper that we produced last year known as SC-236/5, which at certain levels in the Commission was accepted by the United States representative, is about as good a paper on the subject as could reasonably be produced. It covers in a different phraseology practically all the points that I have mentioned this morning--but, of course, it is not before us at the present time--and the Commission had had to develop the scheme of

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these further papers because of the fact that that particular old paper that I am referring to was not at the time acceptable to other members of the Commission. And now we all seem to have changed our ground; we are standing on one another's points of view as it were. However, we can't help that situation. But I do honestly suggest that, if consideration is given to the points of possible compromise that I have mentioned, a reasonably satisfactory paper could be produced, and in doing so I should reaffirm the general view that we have taken in connection with the position of the Supreme Commander. We believe that the Supreme Commander is a delegate--he holds delegated authority--and that he does not possess any authority other than that which can be derived from the documents of his appointment and succeeding directives.

DR. KOO: Mr. Chairman, the position of my Government on this question has been previously stated in connection with the paper FEC-300/6 and the paper FEC-300/3. As to my Government, there are several points which it deems to be important to be made clear in any policy decision which the Commission may take.

In the first place, it is the nature of the inter-governmental conferences which should be made clear, and my Government favors a policy decision to be confined to technical inter-governmental conferences and not to inter-governmental conferences of any kind in general.

In the second place, as regards the scope and character of representation, my Government is in favor of SCAP sending non-Japanese observers to such technical inter-governmental conferences. The question of sending a full representative with the right to vote as other representatives, as I stated on an earlier occasion, would involve a number of legal questions which might make it difficult for even a full-fledged conference to decide. In view of the special and temporary character of SCAP as an international entity, my Govern-

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ment thinks it would be best for the time being to confine--to limit the scope and nature of representation of SCAP at such technical inter-governmental conferences to non-voting observers.

Then, as regards the accompanying of such observers by Japanese technical personnel, that being a question about which there is a good deal of feeling in my country--and I understand also in several other countries--if the need should arise the question should be best determined by the Commission. That has been the position of my Government since the presentation of the paper FEC-300/7.

We have referred the matter again to our Government and so far we have not yet received instructions, and, pending new instructions, and subject to them, I would like to say a word about the latest paper FEC-300/7 which the United States delegation has presented. As you, Mr. Chairman, have asked for comment I would like to say a word.

Undoubtedly this latest paper appears to be much simpler than any of the papers that we have considered. However, the simplicity arises from the fact that it proposes to leave the question of the scope and nature of representation entirely to SCAP and it also on the other hand leaves the matter to the conference to which SCAP may be invited to send an observer or representative. That being so it would seem that this paper proposes to take this difficult question out of the hands of the Commission and leave it entirely to either SCAP or to the conference that may be concerned. From one point of view it would greatly simplify the situation in the Commission; on the other hand it does not appear to meet the various points of view presented here in the Commission. Very clearly I have in mind the viewpoint of my Government as regards both the nature of representation--nature and scope of representation--and also the desirable restriction from the time being upon the

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appointment of Japanese technical personnel to accompany such observers.

The New Zealand delegate has made a few suggestions as to how to perhaps evolve a compromise formula between the latest United States paper and the previous paper, FEC-300/3. It would be difficult, of course, to comment on them until we see those suggestions embodied in writing, but on the surface of it I have doubt whether it would be advisable or practical to leave the question of the character and scope of SCAP's representation in any conference entirely to the conference. It is really for this Commission to pass a policy decision, and that would be a great help not only to the member governments represented on the Commission but also to SCAP and it would also be help to the conference. If we were to leave it to the conference that would surely give rise to a great deal of discussion which may be of a delicate character. In any case, if the Commission should here agree upon authorizing SCAP to send only non-voting observers, then it would serve as a guidance not only to SCAP but also to the international technical conferences which may be held to which SCAP may be invited.

So, Mr. Chairman, until we receive further instructions, our position is that between the paper FEC-300/3 and the latest United States paper, FEC-300/7, we still prefer FEC-300/3 to the other paper. And, of course, if new instructions arrive which will be of a different character, I will not hesitate--fail--to bring it before the Commission at once.

MR. BANERJI: Mr. Chairman, you will recall that in connection with the earlier United States proposals contained in FEC-300/6, to which this present paper is a substitution, I expressed the view of my delegation that we could not think that the SCAP representatives should have voting rights the same as other members. This point of view was supported by a large majority of members in the Commission

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and the United States Government revised their proposals, which is incorporated now in FEC-300/7. I must confess, Mr. Chairman, however, that, though I am grateful to the United States Government for making this attempted compromise, the attempt has failed of its objective because it is not clearly stated whether or not the SCAP representatives will have voting rights the same as those enjoyed by the representatives of other sovereign powers attending a conference. Accordingly, Mr. Chairman, in the view of my delegation, we are unable to accept this position.

Our distinguished colleague from New Zealand has made a very valuable suggestion whether it would be possible to leave this question as to whether these SCAP representatives should have voting rights to the conference itself. Of course, I haven't the benefit of seeing his proposal in writing nor do I have the benefit of discussing this with my delegation or my Government, but prima facie it seems to me that we in the Far Eastern Commission--these eleven governments--are charged with the responsibility to formulate policies, principles and standards in accordance with the Terms of Surrender with which Japan's obligations should have to be discharged, and I do not think, Mr. Chairman, that we can delegate this power, which is admittedly one for the Far Eastern Commission to decide, to other governments which are not represented on the Far Eastern Commission. What I mean, Mr. Chairman, is this, that the inter-governmental conferences will not necessarily be composed of the representatives of these eleven member governments but will be composed of many others, and I do not think we should be justified in delegating this authority to other governments than those represented in the Far Eastern Commission acting conjunctively with some other members represented in the Commission itself. Apart from that, there may be some legal difficulties, as pointed out by some of the colleagues speaking before me, but prima facie, Mr. Chairman,

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I would think that the solution suggested by the New Zealand representative may not be acceptable. But, as I said before, I would prefer to see that suggestion in writing and I would like to have the benefit of consulting my delegation.

As regards the question of limiting the scope of technical conferences only, I indicated at an earlier meeting that my delegation does not feel very strongly on that point and, if there is a majority of members who feel that the scope of the conference should be extended, we probably will not object. In case of such a contingency we associate ourselves with the suggestion made by the New Zealand representative, that is, if the SCAP receives an invitation to attend what has been called a political conference and SCAP decides to attend the conference, then the American Government will kindly undertake the responsibility of notifying the Commission on that matter and it will be up to the Commission to take a decision on that particular issue whether or not SCAP should be asked not to send representation or SCAP should be allowed to do as it likes.

GEN. MCCOY: Any further comments this morning?

MR. BULLOCK: Mr. Chairman, our position on this paper is perfectly clear and I don't wish to reiterate it in any detail, and, in fact, my position has been very well expressed by the United Kingdom member and other members here this morning. My Government feels, of course, that it is very essential that we have an early decision on the question of attendance at inter-governmental conferences. The paper has had a very long history and I think the reasons why it is necessary for us to have an early decision is obvious to the Commission.

This paper has had a long history of compromise and we ourselves made considerable compromise in being able to reach the position of accepting FEC-300/3. But we certainly go no further than that. We would not be able to surrender to the discretion of the Supreme Commander the right of the Far Eastern Commission to

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decide the very important question as to what capacity Japan should be represented at inter-governmental conferences and much less could we agree that that power could be surrendered to an inter-governmental conference itself to which members of the Far Eastern Commission may not necessarily be represented. It seems to me that we do now have a large body of support for FEC-300/3 and my Government would like to see a decision on FEC-300/3 arrived at at the earliest possible moment.

GEN. MCCOY: Are there any other comments?

This has been a very fruitful discussion. It seems every time we discuss it there are certain new points brought forward which deserve consideration. As it stands now it's perfectly evident that neither of the papers before the Commission are acceptable as a whole, but, in view of the discussion this morning, which I think has been in narrowing--although it seems at a glance to bring forward a number of new points--as a matter of fact I think it narrows the general consideration very considerably. So that, since there is no opportunity this morning for either of these papers to be accepted by the Commission, I would like to once more have consideration given to the new points brought forward by certain members. So that, with your permission, we will continue it on the agenda once more before bringing it to a vote.

ITEM 3 - CIVIL AVIATION IN JAPAN (FEC-245/18; -/19)

GEN. MCCOY: FEC-245/18 was approved by the Steering Committee in March. The Soviet member opposed the paper and certain amendments were presented on the 1st of April. The United States is concerning itself in certain amendments that it wishes to present but which are not before me this morning. It will remain on the agenda for further discussion and for action on the amendments as suggested by the representative of the Soviets.

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ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32)

GEN. MCCOY: FEC-242/32 was approved by the Steering Committee on the 18th of May. The Chinese, French, Philippine, Soviet, and United States positions on the proposal are reserved. There is nothing to be done on this paper this morning.

MR. GRAVES: Mr. Chairman, as we were responsible to some extent for bringing this subject before this Commission, may I say just a few words on the history of the paper.

"It may be useful to recall briefly the history of this paper. It is based on the United States proposals for Reparations Removals of Industrial Facilities from Japan contained in FEC-218 which was laid before the Commission on the 9th April 1947 by the United States delegation. That paper specified levels for several branches of industry and proposed that all facilities in excess of the stated levels should be made available for claim as reparations.

"The United States paper was accepted as the basis of discussion in committee and careful consideration was given over many months to the industrial levels proposed by the United States. It is a matter for gratification that the revised paper which has now returned to the Commission after long committee discussion is substantially in its original form and enjoys the support of a majority of the members of the Commission. The subject of shipping and shipbuilding has been separated from the original proposal for the sake of convenience, but I understand that good progress is also being made in that field.

"That it is substantially the same as the original United States paper, FEC-218, is shown by the fact that the levels specified in it for the iron and steel, nickel smelting, machine tool, ball and roller bearing, sulphuric acid, soda ash, caustic soda and chlorine, nitric acid, thermal electric power, synthetic oil and synthetic rubber industries duplicate

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exactly the levels specified in the United States paper, while the levels for light metals are almost the same. The majority support which is now forthcoming for all these levels is an imposing achievement and I consider it to be a remarkable tribute not only to the technical skill of those on the United States side who worked out the original proposals but also to the willingness of other members of the Commission to make compromises.

"The divergences between the new paper and the original United States proposal arise chiefly from a very natural desire on the part of many members to bring within the scope of reparations removals a few more minor industries. These are copper smelting and production of ferro-alloys, secondary metal-working machinery, industrial explosives, calcium carbide, railway equipment, motor vehicles, and cement. The levels proposed for these industries have been arrived at after careful consideration and also represent majority agreement.

"In the course of committee discussion a divergence was revealed regarding the oil refining industry and oil storage capacity. The levels proposed in the original United States paper are reduced in the revised paper, but there are the strongest security reasons for these lower levels, and it would be difficult to contend that they are not adequate for Japan's peaceful requirements from a strictly economic point of view. The majority also desired an inventory of machine tools somewhat smaller than that proposed by the United States.

"I do not say that we regard the present paper as perfect. As a concession to the majority opinion we in the

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United Kingdom delegation have given up many points during the course of committee discussions to which we attached some importance. I am aware that other delegations have done the same. What I do say is that this paper is the most practical compromise between the different viewpoints of many countries which we are likely to reach.

"It has recently been remarked by many of our colleagues that it is a matter of the greatest urgency to reach a decision on reparations and levels of industry. This is true for many reasons which need not be repeated now. I therefore hope that the Commission will deal with this paper quickly, and I trust that we shall be able to avoid reopening technical discussions. In my view we have reached a stage when a reopening of technical discussions would be detrimental to the accomplishment of the important task to which we have set our hands."

Thank you, Mr. Chairman.

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GEN. MCCOY: Are there any other statements at this time on this important paper?

MR. BULLOCK: Mr. Chairman, I don't wish to comment on this paper in any detail this morning but Mr. Graves did mention something of the history of this paper and perhaps you may permit me to say a few words along those lines.

I should say, of course, that my delegation considers the question of the level of economic life in Japan to be one of the most important papers under consideration in this Commission at any level and I think it is quite a momentus achievement in the history of the Far Eastern Commission that this paper has finally reached the full Commission.

Mr. Graves said that this paper stemmed from the United States proposal in FEC-218. Well, of course that is true, but the paper is even more than that--it is really a logical step and perhaps the last step that may have to be taken in a process which has been going on in the Far Eastern Commission ever since its inception--in fact, even before the inception of the Far Eastern Commission. The Potsdam Declaration stated that:

> "Japan shall be permitted to maintain such industries as will sustain her economy and permit the exaction of just reparations in kind, but not those which would enable her to re-arm for war."

Well, one of the first steps taken by this Commission was to agree upon a definition of Japan's peaceful needs. We are, of course, conscious of the fact that in the years preceding Japan's embarking upon a war of aggression certain key industries were built up beyond the peaceful needs of the Japanese economy which enabled here to prepare for the war of aggression. So, conscious of that fact, the Far Eastern Commission passed a policy decision, FEC-106/1, which of course, as we all know, defined Japan's peaceful needs as sub-

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stantially the standard of living prevailing in the years 1930-34, making due allowance for such factors as technological developments, employment, and the balance of payments, et cetera. And the next step which the Far Eastern Commission took was to pass a paper introduced by the United States on the reduction of Japan's industrial war potential. I think it was finally passed in the form of FEC-084/22. That was, I think, quite an important milestone in the history of the Far Eastern Commission, and it was stated in that paper that as a supplementary measure, that is, supplementary to the destruction of primary war facilities, et cetera, designed to reduce Japan's industrial war potential, potential of existing capacity in war-supporting industries which is in excess of that necessary to meet the peaceful needs of the Japanese people as defined by the Far Eastern Commission should be made available for removal as reparations. Well, having passed those two decisions, the stage was then set for the final task of actually expressing in mathematical terms--in concrete terms of productive capacity, et cetera--existing decisions of the Far Eastern Commission, and I think the important point to remember--what seems important to me--is that this paper is really nothing more than a mathematical expression of existing Far Eastern Commission policy decisions. It is of course true that the United States proposals in FEC-218 were the points about which discussion centered. Though the attention was focused on those figures, and I think it is probably a tribute to the accuracy of the original United States proposals that, after the months of searching examination by a most competent subcommittee which met over a long period, the conclusions ultimately drawn were not substantially different from the United States submissions in FEC-218.

MR. NAGGIAR: Mr. Chairman, the French delegation has reserved its position on this paper. At the level of the committee discussion the French delegation, as you will remember, took a very active part in the discussions and I have asked for instructions to approve

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FEC-242/32, that is to say, the draft paper on the Level of Economic Life in Japan. I haven't yet received instructions, but I wish the Commission to know that that is my personal opinion as I stated it to my Government and that there is some kind of urgency to adopt this paper as soon as possible. I mention these facts to the Commission today just not to let the Commission believe that our reservation on this paper is a negative one. It is a favorable reservation, I may say.

GEN. MCCOY: It will be helpful to have any other opinions on the part of any of my colleagues who are prepared to express definite or reserved opinions on this important paper.

DR. KOO: Mr. Chairman, in principle and as a matter of policy my Government is strongly in favor of the Commission adopting a policy paper on this question of industrial levels in Japan as quickly as possible, the more so because it is related to the question of reparations. Our representatives on different committee levels have taken an active part in the discussions in the hope of working out a paper which would be acceptable to the great majority of the members of the Commission. As it now stands the paper of course is greatly short in the view of my Government of many important points. In the committee we proposed a number of amendments in regard to a number of industries, including iron and steel industry, aluminum industry, soda ash, caustic soda and chlorine industry, thermal electric power industry, machine tools industry, and machine tools inventory. On each of these items my Government submitted amendments with a view to fixing, in its view, a more rational figure for determining the industrial level in Japan, but practically all of these amendments were not found to be acceptable by a majority in the committee level. So we have referred the question back to our Government for reconsideration and so far we have not yet received instructions. But we expect to receive them before very long. So, while waiting for them, I feel that my delegation is not yet ready

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to take definite action on the paper.

MR. BANERJI: Mr. Chairman, I had thought of not speaking on this question today because I already expressed my views in the Steering Committee, and I indicated that my Government is prepared to support the proposal as it is contained in this paper before us today. I may add, Mr. Chairman, that, in company with my United Kingdom, Australian, and other colleagues, my Government attaches considerable importance to this paper. In fact they consider it as the most urgent paper--as the most important paper that is before the Commission at any level now. I should therefore associate myself with my United Kingdom and Australian colleagues and say that early action should be taken on this paper before us.

I would be grateful, Mr. Chairman, if the position of those governments who have reservations on this paper is, if possible, indicated this morning.

GEN. MCCOY: As the Philippine delegate is one of those having reservations, is he prepared to make any statement this morning?

MR. JOVELLANOS: Mr. Chairman, I have referred FEC-242/32 to my Government and I am still waiting for instructions.

GEN. MCCOY: I should be glad to hear from the Soviet representative, if he cares to express any opinion this morning.

MR. PANYUSHKIN: (through interpreter): Mr. Chairman, the Soviet delegation is unable to express its opinion on the matter since it is waiting for instructions from its Government and, after the receipt of instructions, we will present our view.

GEN. MCCOY: There seems to be no other expressions this morning.

MR. BULLOCK: We still haven't heard the United States position.

GEN. MCCOY: I was just going to add that, like the Philippines and the U.S.S.R., the United States is not--has not furnished me with the United States position this morning.

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ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

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

(There was no discussion of this item.)

ITEM 6 - OTHER BUSINESS

GEN. MCCOY: Under other business I have to present to the Commission the latest information as to the formal request made to the Commission from the new independent countries of Pakistan and Burma for membership on the Commission:

"The Far Eastern Commission on March 18 approved a communication to be sent by the Secretary General on behalf of the Far Eastern Commission to the Government of Pakistan in reply to its application for membership.

"This communication, after referring to the provision in the Terms of Reference regarding the addition of representatives of other United Nations, contained the following paragraphs:

'It was the unanimous view of the member delegates of the Far Eastern Commission that under this provision of its Terms of Reference the Commission does not possess the power to add to its number of representatives, as this was a matter for agreement among member governments.

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

"In accordance with the suggestion contained in this communication, the Ambassador of Pakistan

'...transmitted a note to the Secretary of State in which he requested the Secretary "to take such steps as

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may be necessary in order to enable Pakistan to become a member of the Far Eastern Commission on account of its strong claims to full representation on the Commission and its committees".'

"I am authorized by my Government to bring this request from the Government of Pakistan to the attention of the Far Eastern Commission, and, if the procedure should be agreeable to the Commission, to request the members

'...to obtain the views of their respective governments upon the substantive question of the admission of Pakistan to the Far Eastern Commission, and thereupon to utilize the machinery of the Far Eastern Commission as a means of polling the member governments, the representatives on the Commission voting in such case as representatives of their governments rather than as members of the Commission.'

"It is the view of my Government that unanimous consent of the member governments of the Commission will be required for approval of applications for membership in the Commission." I think that covers the background for the Pakistan application.

And in like manner there is before us the application of the new Government of Burma. Is it the desire of the representatives to make any comment, or, in case there is no comment, I would ask that these applications be referred to our respective governments as member governments of this Commission, and that in the Commission simply act as the means of convenience to poll the wishes or the action of your respective governments on the application of these two powers.

For the matter of the record, although I have stated it in general terms, I will make this statement that:

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"The Ambassador of Burma on April 30 transmitted a note to the Secretary of State seeking the assistance and cooperation of the United States Government in obtaining Burma's admission to the Far Eastern Commission. The note contained the following paragraphs:

'In fairness and justice Burma claims a voice in framing the peace treaty with Japan and in the distribution of reparations. In view of the extensive material damage and devastation suffered by her as the result of acts of aggression in a war for which she was in no way responsible, Burma requests and hopes that she may be accorded a rightful place on the Far Eastern Commission, and be given a voice in matters which affect her so vitally. There are few countries in the world which suffered as much damage as Burma did during the last World War, and certainly there is no country in the East which suffered so badly from acts of Japanese aggression.

'Burma was admitted to the United Nations Organization on 19th April 1948 by a unanimous vote of the General Assembly; and in appealing again to the goodwill of all nations she confidently looks forward to being admitted to the Far Eastern Commission at the earliest opportunity'."

Are there any comments? I may assume then--

MR. POWLES: Mr. Chairman, I have already received instructions from my Government in connection with both applications, and the New Zealand Government desires to support each of them fully. It also broadly shares the views expressed by the United States Government relating to procedure.

MR. BANERJI: Mr. Chairman, I have also, like the New Zealand delegate, received instructions from my Government with regard to both applications. We are prepared to follow the procedure suggested by you, that is, to give an expression of our views in the Commission

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as representing the Government of India. I may add that the Government of India agrees that both requests may be considered.

MR. COLLINS: Mr. Chairman, my position is the same as that of the Indian representative.

MR. BULLOCK: Mr. Chairman, my position is the same too.

MR. GRAVES: Mr. Chairman, the leader of my delegation is authorized to sit in this forum and to express his views on both these applications.

DR. KOO: Mr. Chairman, as China is a close neighbor to Burma and also near Pakistan on the same continent, my Government feels very much attached in our common pursuit for the cause of international cooperation, and my Government also feels that those two countries have good claims for full and equal participation in the international bodies including the Far Eastern Commission.

I take it that the question now before the Commission is not the question of the merits of the applications but the question of procedure, and I take it that it is a proposal on the part of the United States delegation to have these applications considered here in the Commission as an instrumentality to poll the views of the different governments represented in their capacity as representative governments and not as members of the Commission. If that is the correct reading of the significance of the United States proposal, then either it would be desirable as a practical matter to have this question of procedure first approved by the Commission, and then I think the different members of the Commission could act accordingly quite apart from the merits of the applications themselves.

MR. NAGGIAR: Mr. Chairman, the French Government gave its full support to the admission of those two countries---Pakistan and Burma---at the United Nations and there is no question of the sympathetic consideration of the French Government which will be given here to the admission of those two countries into the Far Eastern

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Commission. But I have no instructions on the matter up to now and I would like it very much if the Secretariat could make those letters which you have just read available to us--circulate them to the members of the Commission so that I may inform the French Government of the present situation of negotiations here and ask for instructions.

As regards the procedure, my personal views of the matter is that I see no legal objection for the members of the Commission to act, if their governments agree, under the capacity as they have as members of the Commission.

GEN. MCCOY: Any other statement from any of the members present?

May I assume that the procedure outlined in my statement is acceptable to all members present?

MR. REUCHLIN: I couldn't say so, Mr. Chairman, at the present moment--not yet.

MR. PANYUSHKIN (through interpreter): Mr. Chairman, I also can't say that the procedure suggested by yourself is acceptable. There exists certain diplomatic channels. Nobody prevents the governments using the existing diplomatic channels if they wish to. I don't know whether this Commission should take the function of a sort of medium for transferring the opinions of their governments on questions which clearly belong to the jurisdiction of the governments themselves. It has been observed so far as the work of this Commission is concerned that there are questions which await the decision of this Commission for two years. On the other hand, the Chairman of this Commission proposes that this Commission should deal with questions which practically do not relate to this Commission. I agree with my Chinese colleague that we can't discuss this question here, not only on the merits of this question, because this question clearly belongs to the jurisdiction of the governments and should be decided upon by them.

As far as the procedural aspect is concerned, I should

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point out that diplomatic channels exist and nobody is prevented from availing themselves of these diplomatic channels. I consider there is no ground for this Commission to assume other functions than the Commission is called to deal with.

GEN. MCCOY: Do I understand that you will consult with your Government as to the procedure suggested and accepted by all the other members present, subject to, I believe, the formal action of the French and the Netherlands Governments?

MR. PANYUSHKIN: I will report to my Government what you have suggested this morning.

GEN. MCCOY: The procedure is trying to be helpful in the way of convenience, and, of course, the member governments have the perfect right to take advantage or not of this suggested procedure. Are there any other matters of new business to be presented?

DR. KOO: May I just add a word to your statement.

I want to make quite clear the position of my delegation on the proposal of entrusting the Commission to take up the question of considering the applications of those two countries of the United Nations deeply interested in the questions relating to Japan. The proposal really, to put it in a simple form is this: shall or shall not the Commission take on this additional task of considering these applications? Well, if that is the question, I would like to have an opportunity of reporting to my Government, and, after all, it would be the governments which will decide on the issues. Therefore I will refer it and ask for instructions. It is purely on this particular question as I see it.

GEN. MCCOY: Yes, I understand that. It's no matter of discussion here as to the merits of the case; it's simply an effort to be a post office, you might say, where eleven nations are concerned to register the opinions of the member governments. In other words, this question is not being decided by the Far Eastern Commission but

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by the representatives of the governments around the table sitting together as representative of their government and not as the Far Eastern Commission.

MR. GRAVES: Mr. Chairman, I should like to make it perfectly clear from our side that that is our understanding, that as representatives on the Commission we should have no say in the matter at all. I referred to the leader of my delegation meaning the Ambassador. He is authorized as the Ambassador to discuss this--not as delegate of the United Kingdom on the Far Eastern Commission. It would merely be that this might be a convenient table around which to sit.

GEN. MCCOY: Yes, that was my understanding, and that was indicated in the letter that was acted upon by the Commission on the Pakistan request as to this procedure and was made perfectly plain in the letter to the Ambassador of Pakistan.

MR. GRAVES: Mr. Chairman, on Thursday, the 10th of June, which is three weeks from now, we celebrate the King's Birthday, and I shall have duties on that Thursday morning which would clash with the usual Commission meeting. I wonder whether other delegates would be so kind as to agree to a Commission meeting being held on some other day that week--Wednesday or Friday?

GEN. MCCOY: Let's see, that is June 10th?

MR. GRAVES: Yes.

GEN. MCCOY: Would it be agreeable for the Commission to, as we have before on national holidays, have the meeting of the Commission on the day before or the day after the stated meeting on June 10th? Would Wednesday or Friday be more agreeable to the members of the Commission? The Secretary General can poll the members to see which is the most convenient date for them--Wednesday the 9th or Friday the 11th.

MR. GRAVES: Yes. Thank you, Mr. Chairman.

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GEN. MCCOY: Any other business, gentlemen?

If not, we stand adjourned.

(The meeting adjourned at 12:15 P.M.)

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FAR EASTERN COMMISSION

Transcript of One Hundred Eighth Meeting of the Far Eastern Commission,

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

Thursday, May 27, 1948

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CONFIDENTIAL

FAR EASTERN COMMISSION

Transcript of One Hundred Eighth Meeting of the Far Eastern Commission,
Held in Main Conference Room, 2516 Massachusetts Avenue, N.W.
Thursday, May 27, 1948

Representatives Present

General Charles E. Saltzman, Chairman pro tempore	(United States)
His Excellency Mr. N. J. O. Makin	(Australia)
Mr. R. E. Collins	(Canada)
His Excellency Dr. V. K. Wellington Koo	(China)
His Excellency Mr. Paul E. Naggiar	(France)
Mr. S. N. Banerji	(India)
Mr. O. Reuchlin	(Netherlands)
Mr. G. R. Powles	(New Zealand)
Mr. J. U. Jovellanos	(Philippines)
His Excellency Mr. A. S. Panyushkin	(U.S.S.R.)
Mr. H. A. Graves	(United Kingdom)

Secretary General

Mr. Nelson T. Johnson

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

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(The one hundred eighth meeting of the Far Eastern Commission, 2516 Massachusetts Avenue, N.W., Washington, convened at 10:40 A.M., 27 May 1948.)

SECRETARY GENERAL: If the Commission will come to order:

General McCoy is at home in bed with a cold and General Saltzman, Assistant Secretary for Occupied Areas, of the United States, is here substituting for him. According to our normal procedure it is in order to have a nomination for a Chairman pro tem.

MR. GRAVES: I would like to propose that General Saltzman assume the chair, Mr. Secretary General.

MR. MAKIN: I would very much like to second that motion.

SECRETARY GENERAL: It is moved and seconded that General Saltzman take the chair. Those in favor: the ayes have it.

Will you assume the chair, please?

(General Saltzman, the United States representative, assumed the chair as Chairman pro tem.)

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE 107th MEETING

GEN. SALTZMAN: Well, gentlemen, on Item 1 of the agenda, are there any corrections or comments or additions which any of the members wish to make to the minutes of the last meeting?

If not, I assume they stand approved as written.

ITEM 2 - CIVIL AVIATION IN JAPAN (FEC-245/18; -/19)

GEN. SALTZMAN: The second item on the agenda is the papers on the subject of Civil Aviation in Japan. Do any members wish to make any comments on this subject?

Speaking as the United States member, I should say that my Government has not yet completed the formulation of its position on this paper.

If there are no comments desired by any of the members, may I take it, as Chairman, that it is the wish of the Commission

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that the matter remain on the agenda for some subsequent meeting?

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/7; 300 series)

GEN. SALTZMAN: Do any of the other members wish to make any comments on this?

Speaking again as the United States member, I should like to say that the discussion of this matter which took place at the last meeting indicated that there was little probability that either of the two papers before the Commission, FEC-300/3 or FEC-300/7, was likely to be approved by the Commission as a whole, and, in an attempt to find some solution to this problem which would be agreeable to the Commission, my Government desires to withdraw the paper FEC-300/7 and substitute in its stead another paper as an amendment to the paper FEC-300/3.

In this connection I should like to read a statement to you on this subject:

"The recent discussions which we have had concerning the several papers on Attendance at Inter-Governmental Conferences, of interest to the occupation of Japan, indicate the difficulty of arriving at an agreement on a single paper covering all phases of the subject. The United States Government has carefully reviewed this entire problem and, in the interest of expediting harmonious action on the paper, proposes that the Commission concentrate its attention on those fundamental elements of the problem as a whole which require policy determination at this time and on which there seems to be general agreement. The United States therefore offers a revised proposal, which is now being circulated to the members of the Commission. I should read the text of this proposal. It is quite short.

'The Far Eastern Commission decides as a matter of policy that upon receipt of an appropriate invitation

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SCAP may appoint members of his staff as observers at inter-governmental conferences attendance at which he deems to be in the interest of the occupation.

'Members of SCAP's staff attending an inter-governmental conferences on invitation as provided in paragraph 1 (the paragraph which I have just read) may be accompanied by Japanese technical personnel when deemed necessary by SCAP and when the attendance of Japanese personnel is acceptable to the country acting as host to the conference.'

"Please note that this revised proposal deals only with the question of SCAP attendance in a non-voting capacity at inter-governmental conferences to which he is invited. It permits his staff members to be accompanied by Japanese technical advisers if their attendance is acceptable to the host country. The proposal does not include any policy statement whatever on attendance at such conferences by the Japanese Government in any capacity or by SCAP in a representative capacity. Thus far there have been no invitations to the Japanese Government to attend inter-governmental conferences and there have been no invitations to SCAP to attend any such conferences in a representative capacity.

"It is therefore the feeling of the United States delegation that the policy proposed is adequate to meet the realities of the present situation. It is our understanding that all members of this Commission are agreed on the desirability and in fact on the necessity of providing SCAP affirmatively with authority to attend inter-governmental conferences of interest to the occupation of Japan in the capacity of an observer, and to be accompanied as necessary by Japanese personnel if acceptable to the host government.

"If the Commission can agree to a policy such as

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that set out in the present United States proposal (the one which I have offered today) the requirements of the present situation will be met.

"The United States is of the opinion that other aspects of this whole problem should appropriately be left for consideration in the future in the light of developments which might indicate the desirability of adopting policies different from those which seem desirable today. Since action on these other aspects is not necessary at this time, it would be regrettable for the Commission to lay down prohibitions which might prove to be difficult, if not impossible, to remove in the future even though such a course were desired by a majority of the members.

"The present United States proposal, as you see, is not limited to technical conferences. It is the feeling of the United States delegation that the use of such a limiting description would reduce the clarity of the policy and leave the way open for uncertainties on the part of SCAP and possible recriminations on the part of member governments. We feel that the members of this Commission, who will also no doubt be the key members of any contemplated inter-governmental conferences which might consider extending invitations to SCAP, would be fully capable in their individual capacities as participants in such conferences of determining with respect to any particular conference whether or not it is one to which SCAP might appropriately be invited.

"We hope that this proposal may be acceptable as providing a first important step toward the solution of this question."

I presume that members of the Commission will want to consider this matter and perhaps consult with their governments.

Is there any further discussion desired on this item of

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the agenda?

MR. POWLES: Mr. Chairman, I think the discussions in the Commission have indicated very clearly that all governments present feel themselves vitally interested in the general problem, and I have no doubt that we should all feel very grateful to the United States for making the endeavors it has to solve the various differences of opinion which haven't altogether been clear cut. But there is one aspect that might assist my Government, at any rate, in its consideration of the proposal which the United States has now made and that is the question of whether or not it would be possible either to insert in the new policy proposal a statement to the effect that when SCAP does receive an invitation to attend in a representative capacity, or when he does receive an invitation which might require the presence of representatives of the Japanese Government, the Far Eastern Commission would be informed, or, alternatively, the United States Government might be prepared to make a declaration of its intention to that effect. I say that because one doesn't necessarily want to have a situation arising where certain decisions might be taken in the future without the knowledge of the governments represented on the Far Eastern Commission. That, I think, would be the very least that the governments represented here could reasonably expect and I think it would, as I say, assist my Government, at any rate, if we could know what would be the attitude of the United States Government to a suggestion of that kind. As the statement which you have just read to us indicated that, in the opinion of your Government those particular situations, that is to say, the question of representation of the Japanese Government or the question of the representation of SCAP in other than a non-voting capacity--those situations haven't yet risen, and we might agree that they haven't yet arisen, some of us might be quite willing to accede to the arguments which say that the Far Eastern Commission should not adopt a policy at this stage

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which will involve some prohibition on action in the future--action of a type which we can't contemplate just now--but it would be a help to us, I think, to know what the intentions of the United States Government would be with reference to informing the Commission when such a situation should arise in the future.

GEN. SALTZMAN: We would like to consider that suggestion that you have made at the same time that you and the other members are considering this proposal and give the results of our consideration to you as soon as we can.

Any other discussion of this?

DR. KOO: Mr. Chairman, this new proposal of the United States delegation certainly shows a spirit of compromise--conciliation--and brings the United States viewpoint much closer to the viewpoint expressed by, I believe, a great majority of the Commission, and from that point of view I am glad that the prospect of adopting a policy decision on this subject, which has been discussed over a long period of time, has greatly improved.

I notice that out of the several points on which a divergence of view existed the present United States proposal approaches the viewpoint of the other members, including the Chinese delegation, that the question of the representation of SCAP any member of the SCAP's staff to be present at such conferences would be observers and not as representatives. In your own statement it has been made clear that they would be non-voting.

As regards the character of the conference, I notice that there is no restriction between the two kinds of inter-governmental conferences, namely, whether such representation should be confined to technical inter-governmental conferences or to inter-governmental conferences without specifying their character, and I suppose that is intended to cover non-technical as well as technical inter-governmental conferences, according to the statement. That is a point

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which we of the Chinese delegation emphasized--that the restriction should be made--but, in view of the concessions made in other respects, I am quite sure my Government will be disposed to reconsider its position on that aspect.

There is one point about which I would like to ask a question simply for clarity. It says, "...upon receipt of an appropriate invitation SCAP may appoint members of his staff..." I take it that meant non-Japanese members?

MR. SALTZMAN: That is correct.

DR. KOO: That was also stated in the original paper, FEC-300/3, and I am glad--

MR. SALTZMAN: The distinction is made there in the proposal between members of his staff who are non-Japanese and the attendance of Japanese personnel as technical advisers.

DR. KOO: Yes. Well I am glad that is so. So, if I may repeat again, in view of this great spirit of compromise that the United States proposal has shown, our delegation will refer to our Government and I hope my Government will see its way to accept, in approaching this new proposal.

GEN. SALTZMAN: You noted, Dr. Koo, in my statement on the matter of the characterization of conferences as technical or otherwise, that I set forth some considerations about the desirability of not restricting it to a definition of technical conferences and pointed out that the suitability of an invitation is a matter for the inviting authorities who have an opportunity ot extending their invitation to judge that.

DR. KOO: In other words, this question of the restriction to technical conferences or not is left open to the particular conference.

GEN. SALTZMAN: Yes.

MR. NAGGIAR: Mr. Chairman, in the discussion we had on this matter the French delegation raised the question of the procedure

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of invitation and I see that the new draft of the United States Government includes the words "appropriate invitation" which was in the New Zealand draft. But there is no specification of procedure--just we have to understand that the invitation is to be appropriate. In the view of the French delegation, we thought that an appropriate invitation had to go through the proper channels as stated in the Terms of Reference of the Commission, that is to say, that the host government or the host organization like, you may say, the United Nations, will have to go through the appropriate channels as stated in the Terms of Reference of the Commission. So, as long as there is no specification in a policy decision of the Commission as regards the procedure of invitation to use the proper channels as stated in the Terms of Reference, that is to say, if the French Government is the host of a conference it will send an invitation either through the French delegate at the Commission or through the French Ambassador to the United States, who will get in touch with the United States Government and not directly to SCAP. So I don't know what is in the mind of the American delegation in using the words "appropriate invitation", but as long as there is no specification--no provision--the way of the policy you have just stated now perhaps will be adopted by the French Government in any case it will be host to a conference. So SCAP will be invited through the proper channel as stated in the Terms of Reference of the Commission.

GEN. SALTZMAN: Well the implication of that is that it should be through the proper channel whatever that is.

MR. NAGGIAR: Yes.

GEN. SALTZMAN: Mr. Ambassador, it has been pointed out to me that SCAP being an international officer could be invited by an inviting government, perhaps through any channel that the inviting government chose to elect, or it might include one of the channels

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that you have just named.

MR. NAGGIAR: That means, as there is no provision, any host government may choose any of the channels as stated in the Terms of Reference?

GEN. SALTZMAN: I should think so, yes.

MR. NAGGIAR: Thank you, Mr. Chairman.

MR. REUCHLIN: Mr. Chairman, as this matter has been such a considerable length of time under discussion, I am able to know already what the views of my Government are on this matter, and I can therefore already now say that I want first of all to congratulate the United States Government for coming forward with this compromise proposal and with my congratulations I want to bring a present and that is I support it wholeheartedly and that I can vote for it.

GEN. SALTZMAN: Any other comments on this item?

ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32)

GEN. SALTZMAN: On this there have been quite a number of reservations. I might ask whether any of these have been removed or whether any discussion is desired on it.

Speaking as United States member, I should say that the United States position on this is still reserved.

MR. JOVELLANOS: Mr. Chairman, the Philippine position on this paper is also reserved.

GEN. SALTZMAN: Still reserved?

MR. JOVELLANOS: Yes.

GEN. SALTZMAN: May I take it then that it is the pleasure of the Commission that this item remain on the agenda?

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ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

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

GEN. SALTZMAN: Is there any comment desired on this, or do I take it that it is the pleasure of the Commission that this remain on the agenda?

DR. KOO: Mr. Chairman, this is another old question on the agenda of the Commission. I recall that at one of the earlier meetings when this question was last spoken of or discussed it was understood that, in view of the apparent difficulty of immediately reaching general agreement in the Commission, conversations would be undertaken with a view to facilitating progress. I wonder whether the United States delegation is prepared to supply any information or throw any light on the situation as it stands now--whether any more promising indications have been found in their approaches or conversations outside the Commission which might give us more hope of reaching agreement here within the Commission.

GEN. SALTZMAN: On that I should say, Mr. Ambassador, that we continue to hope that an agreeable solution to this can be reached, but on your specific point I have no specific progress to report to you.

Any other comment on this? May I take it that it is the pleasure of the Commission that this remain on the agenda?

ITEM 6 - OTHER BUSINESS

GEN. SALTZMAN: Are there any matters which members of the Commission wish to bring up under the sixth item, Other Business?

If not, I take it that the meeting may stand adjourned.

(The meeting adjourned at 11:05 A.M.)

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CONFIDENTIAL

FAR EASTERN COMMISSION

Transcript of One Hundred Ninth Meeting of the Far Eastern Commission,

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

Thursday, June 3, 1948

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FAR EASTERN COMMISSION

Transcript of One Hundred Ninth Meeting of the Far Eastern Commission,
Held in Main Conference Room, 2516 Massachusetts Avenue, N. W.
Thursday, June 3, 1948

Representatives Present

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

Secretary General

Mr. Nelson T. Johnson

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

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(The one hundred ninth meeting of the Far Eastern Commission, 2516 Massachusetts Avenue, N.W., Washington, convened at 10:40 A.M., 3 June 1948, Major General Frank R. McCoy, Chairman.)

GEN. MCCOY: Gentlemen: good morning--and we welcome you back from the United Nations, Mr. Tsarapkin--our session is now open.

ITEM 1 - CORRECTION AND APPROVAL OF THE PROVISIONAL MINUTES OF THE 108th MEETING

GEN. MCCOY: The minutes of the previous meeting are for your usual consideration, correction or comment. Are there any corrections or comments? There seems to be none--

DR. YANG: Mr. Chairman, our Ambassador is coming now.

GEN. MCCOY: Yes.

(Dr. Koo, the Chinese representative, entered the meeting.)

GEN. MCCOY: Good morning, Mr. Ambassador. We are just at the moment considering the minutes.

DR. KOO: I have no corrections, Mr. Chairman.

GEN. MCCOY: There seems to be no correction or comment. The minutes will be a matter of record.

MR. TSARAPKIN: Mr. Chairman--

GEN. MCCOY: Oh, I beg your pardon. The Soviet representative:

MR. TSARAPKIN: (through interpreter): I wasn't present at the last meeting but, when reading these minutes, I didn't quite understand in what connection the reference to the Japanese Government is made in the penultimate paragraph on page 3.

GEN. MCCOY: Yes, I think we can satisfy you on that.

DR. KOO: Mr. Chairman, I noticed that. It was just a typographical mistake and my secretary has already seen that it be changed.

GEN. MCCOY: Yes, the Secretariat informs me that it has already been changed.

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MR. TSARAPKIN: To what government?

DR. KOO: The Chinese.

GEN. MCCOY: The typographical error having been discovered, the minutes will now be recorded.

Before proceeding to the articles on the agenda, I have the pleasure of presenting to the Commission a distinguished officer of the British Foreign Office, Mr. Dening, who has long been concerned with important affairs in the Far East both before and during the war and now is very much concerned with the proceedings of this Commission. So it's a great pleasure to invite him to sit in with us this morning and present him to you as a distinguished guest.

ITEM 2 - CIVIL AVIATION IN JAPAN (FEC-245/18; -/19)

GEN. MCCOY: I am under the procrastinating habit once more on Item 2. My Government has not yet given me its position on certain amendments that it desires to present to the Commission as quickly as possible. If there is no objection, this will be continued on the agenda.

ITEM 3 - ATTENDANCE AT INTER-GOVERNMENTAL CONFERENCES (FEC-300/3, FEC-300/8; 300 series)

GEN. MCCOY: However, I think we have occasion to step forward a bit and possibly meet the certain queries and concern on the part of my colleagues on Item 3.

MR. NAGGIAR: Mr. Chairman, as regards Item 3, I have received my instructions and they are to the effect that the French Government is ready to give its approval to the last American proposal.

GEN. MCCOY: There was a question asked by the member of New Zealand and I am authorized on the part of my Government to state that, first, in the case of an invitation for SCAP to attend at inter-governmental conferences in a representative capacity or, second, an invitation for the Japanese Government to attend at

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inter-governmental conferences in any capacity, the Far Eastern Commission will promptly be so informed.

MR. POWLES: Mr. Chairman, I am sure my Government will be very gratified to receive that assurance from the United States Government, and under those circumstances I am authorized to say that we are prepared to accept the policy proposal which is now before us, the one which was lodged at the last meeting. It's now FEC-300/8.

MR. GRAVES: Mr. Chairman, my Government find your proposal in FEC-300/8 entirely satisfactory, so I am pleased to support it this morning.

GEN. MCCOY: Are there any governments disposed or prepared to act or to comment on this paper?

MR. TSARAPKIN (through interpreter): Mr. Chairman, the proposal submitted by the United States delegation on the question of Attendance at Inter-Governmental Conferences would be acceptable to the Soviet delegation if the following amendments of the Soviet delegation were adopted by the Commission. I am going to distribute these amendments now.

(Copies of the Soviet amendments were distributed to representatives.)

GEN. MCCOY: Looking over the proposed amendments of the U.S.S.R., I must call your attention to the position of the United States on this particular meticulous description.

> "The present United States proposal.....is not limited to 'technical' conferences. It is the feeling of the United States delegation that the use of such a limiting description would reduce the clarity of the policy and leave the way open for uncertainties on the part of SCAP and possible recriminations on the part of member governments. We feel that the members of this Commission, who will also no doubt be the key

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members of any contemplated inter-governmental conferences which might consider extending invitations to SCAP, would be fully capable in their individual capacities as participants in such conferences, of determining with respect to any particular conference whether or not it is one to which SCAP might appropriately be invited."

So that it would not be acceptable to the United States to accept the word "technical" between the words "inter-governmental" and "conferences". However, I think most of these conferences would in a sense be technical conferences, certainly for a considerable period, and the reply that I have just made to the New Zealand query I think, in connection with this effort to be meticulous, would cover the point safely--at least I would hope so--from the U.S.S.R., if they will think it over.

Of course, I have made it plain many times that from the United States point of view this Commission is not authorized or warranted from its Terms of Reference or from the precedents of two years and a half to act as an administrative controlling body in particular instances or on particular individuals. It's the position of my Government that our paper should be a policy paper and not an effort to bring governmental administrative and casual happenings in a government which, if this were acceptable in its broad aspect from the start, we would have been governing Japan instead of providing policy for the Government of Japan. It seems to me that's a very vital distinction, and I would hope that there can be some way of meeting the differences of opinion on that from time to time if the Commission is to prepare policy papers for the Supreme Commander. Otherwise, it would result in continuing disagreement and no policy paper being acceptable to this Commission. However, we've so nearly reached agreement on this paper after so many months of disagreement that I would hope that we can still do

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so. I would like to be able to, on a paper that we have had so much decided disagreement of opinion, show our good faith and our sweet reasonableness in producing a policy paper that we can all agree to.

This amendment has been circulated and I would be glad to have any other comment from the point of view of the other governments concerned.

I might take occasion to state that there was a query from the Australian member last meeting, and I am informed by my Government, in reply to that request, to state categorically that the Commission will be informed from time to time as to the overseas travel of Japanese nationals for any reason, that is, that has been authorized by SCAP. There will be an initial report on such travel covering the period April 1st to May 31st very shortly, and it will be distributed to the Commission.

MR. TSARAPKIN: The amendments submitted by the Soviet delegation to this paper in no way changes the character of this paper which we are considering as the character of a policy decision. The Soviet delegation is trying, in submitting these amendments, to find such a compromise agreement which would be acceptable to everybody and to reach an honest decision on this matter. The Soviet delegation feels that the precision which the Soviet delegation suggests to insert in this document--that the conferences which representatives of SCAP should be sent to should have a technical character--is necessary. The Soviet delegation thinks that, when the question arises of a representative of SCAP to be sent to a technical conference, this could be decided as a matter of policy by the Far Eastern Commission and the Supreme Commander would be given by virtue of such a policy decision the right to send the representative. But in regard to the question of a conference which has no technical character, the Soviet delegation's view is

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that in each case the authorization of the Far Eastern Commission would be required for SCAP to send his representative to such conference for, if there were no such authorization on the part of the Far Eastern Commission for SCAP to send his representative to a non-technical conference, there might be cases when such action on the part of SCAP would be in contravention to the already adopted policy decisions of the Commission, and, anyway, such action on the part of the Supreme Commander would go beyond the jurisdiction of SCAP as the person representing the executive authority of the Allied Powers unless there is a special decision on it by the Commission. Therefore, we believe that the amendments that we are proposing now try to reconcile the position taken by the United States Government and the view which I have just expressed, and if these amendments were adopted the document then would be acceptable to the Soviet delegation and the Soviet delegation would vote for it.

MR. REUCHLIN: Mr. Chairman, may I express some surprise that the Soviet delegation proposes to insert--and this is the amendment to paragraph 1 and paragraph 2--the word "technical". In the many months during which we discussed this paper, we at a certain moment had a proposal to insert the word "technical" and, if I remember correctly, it was the Soviet representative who with a great force of argument said that in his opinion that word should not be inserted because he thought that there was no such thing as a purely technical conference--that every technical conference had a political side. We discussed at length on this subject and now we have come to a moment that we delete the word "technical", and at the moment we have decided more or less to delete the word "technical" may I then say that I am a little surprised that the Soviet delegate wants to reintroduce the word "technical" against which he was in the Steering Committee, I think, opposed.

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MR. POWLES: Mr. Chairman, in the course of the long discussions we have had on this paper, and in our very earnest endeavors to arrive at a harmonious solution, the positions taken up successively by many delegations have somewhat resembled the figures of an old English country dance, danced of course to a very stately and dignified tune. Nevertheless there was an occasion on which I am perfectly prepared to admit that the New Zealand Government was found flirting with the word "technical" and definitely proposing it. We did propose the word "technical" and, during the discussions upon that particular phrase, it became fairly clear that there was a difference of opinion as to what it meant. Still conducting our activities in that particular corner of the dance we endeavored to define it by lodging a paper indicating what we thought it meant. There was a marked reluctance on the part of any members to join with us in dancing to that particular definition. In fact, I rather feel it was hardly commented on at all.

Then, Mr. Chairman, at a slightly later date it became clear that certain members were definitely opposed to the use of the word "technical" no matter how it was defined. Consequently, in an endeavor to advance the progress of the whole issue, the New Zealand Government took into consideration the discussions that had taken place and moved from its position on the subject of the word "technical", went further through the next phases of the dance, as it were, and took up another position. Now we find that our Soviet friends are dancing the measure in the corner that we left about a month ago and, unfortunately, I feel that it is not appropriate that we should retreat from our present position and join them where they now are, although at one time we did advocate the use of the word "technical".

I think, therefore, that the New Zealand Government has

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arrived at the definite position that it will support the present United States proposal upon receiving the undertaking which has been given already by you, Mr. Chairman, this morning. Consequently, I shall have no course other than to vote against the insertion of the word "technical" if and when it is proposed by our Soviet friends. But I would suggest to them that, in view of the great difference of opinion that had been expressed all around this table on the meaning of that word and of the advisability of using it, we don't get anywhere by attempting to insert it in the policy now, because we will only be putting something in about which we are really not agreed and about which perhaps every delegation around this table might have a different interpretation. Consequently, room would be open for all sorts of subsequent differences and friction when it came to be interpreted by the Supreme Commander. I think it's a great mistake to put into any international document something that we really either don't understand or interpret differently. Consequently, I am afraid I can't accept it at this stage.

MR. TSARAPKIN: Mr. Chairman, I would like to give some clarification on our position which we took at the previous stages of discussion of this question.

It is true that the Soviet delegation opposed SCAP being authorized to send his representatives, or observers rather, to technical conferences without prior authorization by the Far Eastern Commission in each individual case. With a view to avoiding any unclarity and misunderstanding of this particular term, we suggested an additional word: "purely" technical. I presume that there always can be found a common view as to what is called a purely technical conference. Our amendments of this morning are moving in the direction of reaching general agreement on this question, namely, by means of paragraph 1 the Soviet delegation suggests that by virtue of the wording of this paragraph the Supreme Commander be given the authorization to send his observers to

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technical conferences to which we were in the position before, and in addition to that, by our adding a new sentence to paragraph 1 we also gave our agreement to SCAP sending his observers to other conferences provided in each case it is approved in advance by the Commission.

Mr. Chairman, our view is that the wording suggested to this document by the Soviet delegation provides a phraseology which is [redacted] exactly within the jurisdiction of the Far Eastern Commission and also provides the observance of the rights both on the part of the Far Eastern Commission and the Supreme Commander, which rights of the Far Eastern Commission we should never neglect.

MR. NAGGIAR: Mr. Chairman, some delegations during the somewhat lengthy discussion of this paper were inclined to use the word "technical" and the difficulty of finding a good definition of the technicalness of conferences proved to be an obstacle. But the sentiment of those who were thinking of the word "technical" and wishing to use it was less to have a clear definition of technical matters but more to be sure that if any important conference were in question this Commission would not be bypassed. So, in order to achieve unanimity, I wonder if we could not reach unanimity on the basis of the last American proposal together with your declaration this morning, to have a paper composed of policy properly speaking and your declaration which gives us full satisfaction. Perhaps in that case there will be no reason for the Soviet delegation to insist on its amendments because it will be a certainty that in any case of an important conference this Commission will consider the matter and will decide.

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

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

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(The meeting reconvened at 11:40 A.M.)

GEN. MCCOY: Gentlemen, we will reopen the session.

DR. KOO: Mr. Chairman, if you intend to put the Soviet proposed amendment to a vote, I would like to make a statement of the position of my delegation.

As the Commission knows, my Government has always been in favor of qualifying the international conferences to be attended by SCAP by the word "technical", but, in view of the difficulty of obtaining a decision of the Commission in the adoption of a qualitative paper on this question as evidenced by a vote taken at one of the earlier meetings, and in view of the clearly conciliatory spirit underlying the new United States paper, I stated at the last meeting that my delegation would be compelled not to insist on the retention of the word "technical" and would recommend to my Government to accept the United States paper. That recommendation has been sent and, pending the receipt of instructions, if you should put the Soviet amendment to a vote, my delegation would abstain and not insist on the re-insertion of the word "technical" before the phrase "inter-governmental conferences" in the United States paper.

One of the reasons for this view of my delegation is that there is some force in the statement made by Mr. Saltzman of the difficulty of having a clear-cut definition of the scope and nature of the word "technical" and also, in view of the fact that most of the conferences which have taken place in the last two or three years have been of a technical character--and we believe that many of the conferences which will take place in the future will be also of a clearly technical character--the conferences which remain, which may belong on the borderline between technical and non-technical, will be relatively few, and since you have stated as a matter of information to the Commission that invitations received by SCAP would be reported to the Commission, which would give an opportunity

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to the members of the Commission to consider the nature of the conferences so that every one of us will have an opportunity of expressing his views as to the real character of a given international conference, since that is the case, then the re-insertion of this word would seem to be less important because, where an invitation is received to a clearly international technical conference, then so far as the Commission is concerned the policy is unanimous--there can be no question--because in the light of all the discussions which have taken place in the Commission there seems to have been no difference of opinion whether any given conference is or is not of a technical character--in the light of that fact it would appear to be of less importance, and since an opportunity will be given through the information to be furnished by the United States delegation to the Commission, there will be an opportunity of expressing our views. So, in view of these facts, my delegation would not cast its vote if you should put it to a vote today and would only abstain pending instructions from my Government, that is, a vote on the Soviet amendment.

GEN. MCCOY: Well I have a feeling that our Soviet colleague has endeavored to meet some of these points in what would seem to be one way, that in the light of my statement and yours and the French Ambassador's would seem to meet really what our Soviet colleague has in mind. I'm disposed, in view of your statement, to ask further consideration off-the-record in the sense of giving me an opportunity to talk it over with the Soviet representative and not vote today. If it is agreeable to the Commission, I will defer it until the next meeting.

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ITEM 4 - LEVEL OF ECONOMIC LIFE IN JAPAN: POLICY TOWARDS JAPANESE INDUSTRY (FEC-242/32)

ITEM 5 - a STATEMENT BY THE UNITED STATES REPRESENTATIVE OF THE FAR EASTERN COMMISSION ON REPARATIONS SHARES (FEC-278)

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

GEN. MCCOY: I would request your permission to pass over Items 4 and 5 and continue them on the agenda and bring up Item 6, Other Business, this morning.

MR. JOVELLANOS: Mr. Chairman, on Item 4, I should like to say that probably by the next meeting I will be able to define our position on that paper.

ITEM 6 - OTHER BUSINESS

GEN. MCCOY: Is there any other business this morning, gentlemen? I refer to the Secretary General:

SECRETARY GENERAL: Mr. Chairman, the meeting of the Far Eastern Commission which was scheduled for Thursday morning, June 10, will be held instead on Wednesday morning, June 9, at 10:30 A.M.

GEN. MCCOY: Gentlemen, we stand adjourned.

(The meeting adjourned at 11:50 A.M.)